THE UNIVERSITY OF HULL

CULTURAL RELATIVISM: Case Studies of
Public Relations in the Emirates, 1994-1996

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CONTENTS

ABSTRACT

This research investigates the impact of oil on a traditional Arab society. The literature which addresses societal change is methodically reviewed, with substantial attention given to the theories of noted sociologist Max Weber as well as many more recent scholars who have adapted and re-interpreted Weber's seminal insights. Following the review of relevant literature, the reader is introduced to the pre-oil, traditional society of the United Arab Emirates (UAE). The body of the research reports, illuminates and examines through case studies the challenges of wrenching social change in a traditional society. The research finds that introduction of oil is the change agent. The invitation extended to Western oil companies to manage the extraction industry resulted in enormous disruption to the society as it then existed, and provided very large sums of capital to the UAE. Both of these factors, the insertion within the society of a western industrial culture of size and importance, and the opportunities for the UAE to develop and modernize at great speed due to the availability of large resources, combined to place enormous tension on the social traditions and practices of the then tribal society.

The research then turns to the ways and means that both the society and the western oil companies employed to manage the dynamic of change. The specific role of the Oil Company's Public Relations function is examined in depth. The thesis that the public relations function served both the company and the society at large as the primary agent of mitigation is stated and tested. This paper finds that the public relations function performed a critical service by explaining the

traditions of the society to the oil company, and negotiating for the oil company

with the formal and informal organizations present in the society. These public

relations practitioners also performed the critical task of representing, and at times

· performing advocacy services for, groups within the society whose values were

threatened by the western practices of the oil companies. This latter function is

very different from the traditional roles of western public relations staffs. The

research concludes that in this particular circumstance the contribution of the

public relations staff was essential to both the company and the society in coping

with enormous social pressures.

FOREWORD

Introduction

The United Arab Emirates (UAE) is in many ways a unique Arab state.

Formed as a collection of the semi-autonomous Emirates in 1971, the UAE

recently celebrated its 27th anniversary as an independent state. Following the

decision of the British government to encourage the political independence of its

Arabian Peninsula territories, the UAE was formed and is among the most recent

additions to the independent Arab states of the world. It is also the only Arab

state to function politically as a federation, a structure highly dependent upon the

consensus of semi-autonomous leaders of the seven Emirates, and also very

dependent upon the consent of the governed, particularly the leaders of key

families and tribes.

As has been adequately documented elsewhere, the people then inhabiting the

seven Emirates that agreed to join to form the UAE were not wealthy in a material

sense. The discovery of oil in the region and also within the geographical confines

of the UAE and its offshore waters had occurred, but the dramatic increases in the

price of oil throughout the world had not yet occurred. There was even

disagreement within the ruling families as to whether or not the oil resource

should even be developed. The ruler of Abu Dhabi, Sheikh Shakbout bin Sultan

Al-Nahyan (1928-1966), had been concerned that the development of the oil

industry would place in peril the societal traditions and practices then prevailing

in the 'Trucial States.'

The social history of the UAE in the past twenty-five years would acknowledge that Sheikh Shakbout's concerns about the impact of the oil industry on the Emirates were justified, and perhaps even understated. Yet, the imperative of oil development - especially after the exponential price increases of the 1970s - - ultimately could not be denied. Sheikh Shakbout was replaced and the transition to a different set of values for the societies of the UAE had commenced, and of course, the transition continues.

Oil development ensured that societal change within the UAE would not be either fully planned in concept, or methodical in enactment. Enormous economic change and resulting social change accompanied the development of the UAE oil economy. Importantly, development of oil was an international undertaking, and in consenting to a large international presence, the customs and traditions of the UAE were then and continue to be challenged by increased intrusion within the society of the prevailing traditions and values of the western world. The relative social insularity of the pre-oil UAE - the sovereign presence of Britain was largely an off-shore naval presence - - could not be sustained.

The Impact of Oil

The UAE leadership of the post Sheikh Shakbout era, focused its efforts on improving the opportunities for the people, enabling the citizens to fully engage in dramatic human development and using the revenues of oil development. Powered by petroleum resources, and in a relatively short interval by the financial resources built up from petroleum transactions of the prior years, the UAE embarked upon a crash programme of technological, educational, economic and

social development. Priority was given to the creation of national infrastructure to ensure that the developmental effort was sustained and indeed sustainable. Many of these programmes also employed the resident expertise of other Arab and non-Arab societies, societies whose traditions and values were very different from those then prevailing within the UAE.

Oil development, to be a sustaining source of national prosperity, must ultimately include a number of activities beyond merely authorising foreign international oil companies to extract the resources from the ground and coastal waters. At the urging and direction of the UAE national leadership, the oil industry commissioned a large number of subsidiary and oil service industries, which function adjacent to oil-revenue-enhanced traditional and primitive industries of the pre-oil economy.

The creation, and to some degree foreign insertion and intrusion, of the many components of the oil industry have interacted and affected UAE society in countless predictable and unpredictable ways. The focus of this thesis is to illuminate and examine the social tensions, which have accompanied, and to a large degree resulted from, the development of oil. These tensions will be identified and placed in a primarily Weberian context.

By case study, certain of these identified tensions will be examined in depth. These in depth examinations will endeavor to uncover and study in detail the impact of these tensions on the traditional social norms of the UAE. They will also uncover and examine the various methods of adaptation selected by segments of UAE society to help cope with the wrenching societal change.

The Role of Public Relations

This study will also examine, both conceptually and practically, the hypothesis that the public relations function of the local Oil Company can successfully mitigate and manage the phenomenon of social upheaval in the UAE. Public relations is an imprecise term, and care will be taken to clearly define the public relations function, its goals, objectives, methods and resources.

The author served as a local Oil Company's public relations practitioner for many years. During this period of employment, the author was able to collect a first-hand account of relevant events from primary source documents which were available to him and which have been fully utilised in the writing of this thesis. Care has been taken to ensure that this first-hand experience is placed in the context of the literature of sociology, and that scholarly objectivity and scientific methodologies are fully employed.

Review of Relevant Literature about Social Change

All cultures are dynamic. Change is sometimes rapid and highly visible. Nonetheless, the relevant literature, which has been addressed in appropriate depth in the first chapter, confirms that change is continuous. The public commentary which often designates one culture or society as developed, another as developing, and yet another as stagnant fails to comprehend that change is occurring in every society, and that the people and groups that comprise those societies are universally reacting to, and interacting with, a changing world. This process of change impinges upon institutions, ideologies and technologies everywhere. The members of these respective societies cannot escape change - we

are all ultimately affected by our environment, and occasionally profoundly affected. In this sense change is as fundamental to human existence as socialisation. Not only is every one of us shaped by the traditional norms and teachings that prevail in our culture, each of us is also subjected to lifelong changing influences. Therefore, the twin and interacting processes of cultural change and modernisation are universal.

The Objectives of the Study

The search for oil by international oil companies brought them to the United Arab Emirates early this century. Explorations were carried out until 1962 when they had their first shipment of oil from Umm Shaif field which subsequently came under the concession of the local Oil Company under study here. The uniqueness of the management of these international companies was applied to the local Oil Company.

The objective of this study is to find out if there is a difference in the culture and management style of the two types of oil companies. One is based on western cultural concepts of industrial organisation broadly derived from Max Weber's definition of bureaucracy while the other is a local oil company operating within a society where it is difficult to separate the person from his other role with decisions being made on the basis of social relations. Furthermore, an attempt has also been made to study how the role of Public Relations can be structured as a cultural mediator between the two societies.

The Need for the Study

Many writers have written comprehensive descriptions of the oil industry, its effects on social life, urbanization, etc. Little, however, has appeared about the effects on culture. A search for relevant literature on the main subject of the thesis, 'The Role of Public Relations in the oil industry: Cultural Mediation,' indicated that such source material on this subject is virtually unavailable. It is the aim of this research project to fill this existing gap, specifically with regard to the management style of the oil companies in a traditional society. Most of the studies on the UAE emphasize historical, economic, political, and social aspects. Most of them begin with a history of the region and end with a statement of the gains and achievements of the UAE through the federation. An analysis of the oil management style, the question of whether the western Weberian management hierarchical structure fits into a traditional society, and the role that Public Relations plays in the oil industry have not yet been the subject of any study. Although Public Relations as a general subject has been written about, most writers have avoided the word Public Relations and used General Relations instead due to the fact that public opinion research in this part of the world is almost non-exist able.

Much of the author's working life has been spent in a local oil company. To begin with, the writer knew little about why the Company took certain decisions, how external pressures affect its members, or what kind of alternatives in the decision-making process were available? This study follows the guideline put forward by Whyte in that, "we must understand organisations if we are to be able to deal with them on personal basis." (Whyte, 1957, p 13-14)

Summary

In summary, the United Arab Emirates began the federation process in 1971 not with a non-traditional Arab political structure, but with a social structure composed of largely traditional Arab tribes and families. Massive development of the national oil industry has accompanied the history of the UAE, almost from the beginning. This phenomenon has in turn produced massive internal change, diminished somewhat the ability of the society to continue to observe traditional norms, and accelerated the intrusion of external western values into the culture much faster than would otherwise have occurred. These inter-related phenomena provide an interesting opportunity to examine social change in the context of the classic and current scholarly literature, and to specifically examine in depth the successes and failures of the public relations component of the UAE National Oil Company in mitigating the most extreme impacts of this change upon the existing traditional society in place.

CHAPTER 1

Traditional Culture and Modernisation

1. Introduction

As we draw towards the closing of the twentieth century, it is appropriate to

observe that through the ages, societies have undergone marked social and cultural

changes. The twentieth century, as in the case of many of the centuries preceding,

witnessed great and perhaps epochal change. The accelerating technological

revolution and improved communication systems characteristic of this century

have inevitably enabled greater interpersonal contact. Consequently, people's

lives, even in rural areas, have been drawn closer, at least in the technological

sense, to those in the expanding urban and industrial centres. As the twentieth

century closes, many believe that advanced communications-information

technology has created a 'global village.'

Change in the life style of the members of any society is never an easy process

to accept. As the implications of the technological advancements started to

produce measurable impact upon societies, it became increasingly less possible to

swim against the tide of technological innovation, and societies were

unconsciously attracted towards modernisation and a consequent move away

somewhat from traditional values. This choice was in effect a dilemma, for in

reality the choice not to modernise was a choice to stagnate. And, the choice to

modernise, however reluctantly embraced, created the frustrations caused by a

disintegrating sense of societal coherence, which called into question the ultimate

meaning of life within these respective societies. The choice confronting the leaders of the countries is not whether to change, but how to adopt change whilst minimising the negative impact on traditional Islamic and Arabic culture. However, as is well established in chaos theory, there is always a group or groups who are frustrated and less secure in environments of societal wrenching change. As such, there is also always a counter-group that is fascinated and excited by such change and is spurred by the technological advancements to search for a better understanding of the meaning of life. This controversy leads to a more dynamic and creative society within the context of change.

An upsurge of interest in the psychological, philosophical, aesthetic and moral dimensions of life has therefore become a characteristic of such counter-groups which appreciate the opportunities for epochal change inherent in significant technological change. A growth of interest in social anthropology and comparative religions also emerge to assist elites within the society to evaluate this process of change that had started to take its effect on a sector of the society in a marked way. This process can and often is represented by rebellion (conceptual and physical) against established social values.

Human beings tend to group together to form communities based upon a common identity such as a shared sense of place. Within these communities the inhabitants also develop a shared sense of values that over time can become a shared culture. A common culture need not imply homogeneity. Some communities are diverse in nature and include members of various origins and/or backgrounds, while other communities are more homogeneous and lack this diversification. A common culture does however establish societal norms over

time. A traditional society is one in which these norms have gained wide adherence and acceptance, and are institutionalised within the society to the degree that they may appropriately be referred to as defining the way of life for the members of the particular society. The objective of this thesis is to uncover and examine the societal tensions which attend the rapid imposition of a modern and technologically state-or-the-art bureaucratic apparatus upon a traditional society, and if the implications warrant to reach conclusions and recommendations for societies to manage this transition. The method of examination within this thesis will rely heavily upon the theoretical approach of Max Weber as found within his Theory of Social and Economic Organization. Weber's research and research observations are particularly appropriate to this thesis, because the role of bureaucratic structure in societal change is a prominent component of the research enterprise. Specifically, this research will address the social, political and economic implications within the United Arab Emirates (UAE) that are attributable to the formation and maturation of an enormous and powerful oil industry, to include the bureaucratic processes of that industry. This thesis will comprise ten chapters, including this introductory chapter which discusses the social science literature most relevant to this research endeavour. The second chapter will introduce the reader to another category of theoretical literature that describes and defines the public relations function as it has evolved over time. The thesis will then proceed in the traditional way to a methodology chapter, a descriptive chapter concerned with the culture of the oil industry, and an in-depth examination of the social, political and economic relationships within the Emirates before the formation of the national oil industry, during the industry's

formation, and an examination of those relationships as they exist today. Following this in-depth examination, the reader is introduced to the practical methods of 'Public Relations' as practised within the UAE oil industry, i.e. the daily workings of a Cultural Entrepreneur. This explication is followed in turn by a case study that examines a comprehensive and focused effort to change the identity, or at least the societal perception, of the oil industry within the UAE. The thesis then proceeds to a second case study, this latter one directed to an illumination of the issue of redundancies, with specific reference to the rationalisation of different audiences which present differing requirements and challenges. The thesis concludes with a further examination of the potential and actual contribution of public relations activity in linking a traditional society such as the UAE with the demands of the participation in a developed and modern world.

Ultimately, this thesis will illuminate, examine, analyse and reach conclusions concerning the role and relative success of one Arab Gulf oil industry's 'Public Relations' efforts to manage and mitigate the tension between the culture of the transnational oil industry and the traditional culture of the UAE encountered each other in time and space. It will acquaint the reader in detail with the Oil Company's public relations function as it stands on the cultural boundary, and mediates between the two cultures and many communities. The public relations officer is an employee of, and committed to achieving the objectives of, the Oil Company. But, he is also a member of and participates in the local community and culture. To succeed he must find a way of converting impersonal objectives

into personal relations. The author will investigate the means and methods of such a function, and such an employee, in the chapters ahead.

It is appropriate at this time to introduce the reader to the theoretical aspects of the sociological and anthropological literature, which will guide this thesis. Accordingly, the remainder of this chapter will discuss specific aspects of Weber's theory, and also discuss the important contributions by other eminent social scientists to the relevant literature since Weber explicated this theory.

1.1 Weber's Analysis of Society

As mentioned, over time the shared values of a community can lead to a shared identity, and in the longer term a community 'culture.' In this sense, communities possess cultures which, according to social scientists, are defined as the man-made environment of the community, and which include all material or non-material products of man, and are transmitted from one generation to the next. These products which characterise the community include all observable and non-observable traits of any acquired behaviour. Max Weber (1964) argues that the movement from a traditional society into a modern or a developed one involves a continuous series of social actions which over time re-shape these traits. This concept of largely spontaneous and unpredictable yet continuous social change forms the basic foundation of his view of this inevitable, indeed inexorable, process. It also embodies the individual as the central actor who views his actions in the context of the subjective meaning he attaches to his behaviour, which in itself is an oriented set of manifestations.

For Weber, the individual can be conceptualised in either the singular sense of the word, or as a group of individuals acting collectively for a purpose. An individual's action, as Weber sees it, may be either reactive or pro-active inasmuch as the individual attaches subjective meaning to it. In either case, it can be rationally evident when a full grasp of its elements is achieved, or it can be irrational if its subjective meaning is less evident. It is also Weber's position that social action may or may not include failure to act and passive acceptance, even though actions may be directed to the past, present or expected future behaviour of others. Social action may take the form of revenge for a past aggression, defensiveness to the present, or preventives for the future. However, not every kind of action may be social, especially where it is oriented to inanimate objects. Actions are social only if and as they are oriented to other humans. Examples of non-social action would in this sense include the religious activity of a person if this activity is conceptualised spiritually, e.g. focused on the praying person as an individual acting autonomously from his environment, whereas economic activity is more social as in most cases this activity occurs in an environment of human interaction. (Weber, 1964, p 23-24)

In Weber's line of thought social action may be of different types:

- *Instrumentally-rational.* Where it is determined by exceptions that may be used as 'conditions' or means for the attainment of the actor's rationally pursued and calculated ends;

- *Value-rational.* As determined by a conscious belief in the value for its own sake of some ethical, aesthetic, religious, or other form of behaviour, independently of its prospects of success;

- *Effectual.* As determined by the actor's specific affects and feeling states; and finally

- *Traditional.* As determined by some ingrained habituation. (Weber, 1964, p 24-25)

Thus, human social action and interaction may be oriented and motivated, but where it is affected by emotional reactions of anxiety, anger, ambitions, envy, jealousy, love, enthusiasm, pride, vengeance, loyalty, devotion, appetites, and irrational conduct, the meaning of the action becomes difficult, perhaps impossible, to understand. (Weber, 1964, p 5-6)

Weber suggests that human actions that are void from subjective meaning must draw our attentions to their stimuli, their results, and the circumstances that may have hindered or provoked the actions. Motives of an action to Weber, are of complex and frequently interwoven subjective meanings which the actor himself takes as adequate grounds for his action, provided these are not casual or accidental and can later on be generalised at least in his course of similar actions. Consequently, an action becomes uniform in its motives as well as its desired ends. However, he assumes, that the repetition of the action and the acquisition of similarly uniform ends may help to attach a positive correlation between them. (Weber, 1964, p 18-22)

The author has reviewed in the previous paragraphs the social action concept (as it refers to an individual actor) in the Weberian sense of the term. Society, however, is by definition never limited to a single actor. When it concerns a plurality of actors, the behaviour of each actor affects that of another, as Weber assumes. But, this stimulus-response sequence is only operative where an action is

meaningful, and in this case each actor takes account of the behaviour of the others, and responds in context. This assumes that a minimum mutuality of orientation of the action must exist even if the actions do not serve similar purposes or even if they serve contradictory ends. An action that involves love on somebody's side may be faced with hate on another's part; friendship may be countered with animosity, fidelity may be opposed by treachery and so on. In any case, all actions involve a social relationship of some sort. This relationship may be characterised by consistent performance or it may fluctuate. (Weber, 1964, p 27-28)

From the preceding, the author finds out that, in the Weberian sense, social actions are oriented into usage meanings where the actions of a group once only exercised as actual practice; custom meanings where the practice is based upon long standing, and self-interest insofar as the behaviour of the actors is instrumentally oriented towards identical expectations. (Weber, 1964, p 29)

Weber goes on to assume that uniformity in the process of social actions are entirely determined by the fact that the type of social action is in the nature of the case best adapted to the normal interests of actors as they are personally aware of them. (Weber, 1964, p 31) The importance of this assumption lies in the fact that such actions reflect the true economic action of the individual, the group and the society as a whole. Actions of dealers in a market, for example, according to this assumption of Weber, are designed and constructed to obtain the dealer's satisfaction of the ends defined in terms of his economic interest. This behaviour of orientation to the situation in terms of pure self-interest and profit to them and to those related to them can bring about results comparable to those which

imposed norms may prescribe, especially in the economic affairs context. A society is therefore, according to Weber, ultimately economically action-oriented.

For Max Weber also, a social action, particularly that involves an interactive social relationship, is mostly guided by the belief in the existence of a legitimate order that is founded on a principle called its 'validity.' (Weber, 1964, p 31) This principle does not only take into account the mere existence of uniformity of a social action that is determined by custom or self-interest. But it also considers the avoidance of any improper conduct of duty, which brings us to considering the social action an order in itself, oriented towards determinable 'maxims,' as Weber would like to call them, and this order can only then be called valid. It is important to note that this conceptualisation of 'validity' is based upon the congruence on the action with existing societal norms.

Equally significant to a full understanding of Weber's theory is his concept of 'legitimacy.' Weber views legitimacy as a culturally determined and binding constraint, as well as an over-ruling and monitoring element of any actor's conduct. The basis of 'legitimacy' in traditional organizations are precedent and usage. The rights and expectations of various groups are established by exalting the status quo: the great arbiter in such a system being custom. Leaders in such a system have authority by virtue of the status that they have inherited, and the extent of their authority is fixed by practice and custom. Having found themselves bound by a monitoring element called legitimacy, the actors have no choice but to preserve this power either affectually through emotional attachment, value-rationally through emotional attachment, value-rationally through belief in the absolute validity of the order or religiously through the belief that they can

only be saved by submitting themselves to the order. In addition to these ways of judging an order legitimate, individuals may also develop full awareness that their order may be preserved by external factors. In this sense, legitimate orders may over time become the realm of the convention where every member of the society is concerned that any deviation would be met with disapproval, or they may become law where the stipulations of the order are enforced by competent persons appointed to curb any violation. Convention is, in the Weberian sense, a pattern approved and accepted as socially binding, whereas law achieves its enforcement by and from designated staff. (Weber, 1964, p 33-35) In other words, legitimacy to the members - including the pro-active members - of the society, may derive from tradition where unquestioned adoption of what has previously existed is exercised; from emotional effectual faith; from value-rational faith of accepting a practice as something that has become absolute; from a legally accepted positive enactment or decree; from voluntary agreement of the parties that comprise the society, or from authoritatively imposed orders that demand compliance of subjects. (Weber, 1964, p 36-37)

Of all the above sources of legitimacy, tradition remains the oldest and alone has the virtues of spiritual conformance and near-term universality. Indeed, departures from tradition started with the alleged prophesies and revelations, which may be labelled by conservative elements of the society as apostasy or heresy in the near-term. The most puritanical forms of legitimacy, however, are those that find their acceptance in the natural law, whereas the most dominant of all legitimacy forms are those deriving from legality or assuming compliance of the members of the society with enactments that are man-made imposition.

Weber's theory also notes that an important characteristic or product of societies that embrace shared values is 'order,' or the systems of rules and procedures that govern most forms of societal interaction. Weber has found that there also exists within a society forms of relationships that may be communal insofar as these relationships derive from the subjective feelings of the parties. These relationships can also be associative in the sense that the orientation of a social action rests on a rationally-motivated adjustment of interests or an agreed motivation. However, the first forms may derive from traditional, effectual, or emotional sources. However, the forms of both types of relationships may be open inasmuch as they allow outsiders to join in, or may be closed and engulfed around themselves, thus not allowing the influence of outsiders to affect them.

1.2 Weber on Bureaucracy and Organization

Where social relationships are closed and limit the admission of outsiders, they are called 'organisations,' according to Weber, and their regulations are enforced by specific individuals who have executive powers of actions. They may be autonomous when the order governing the organization has been laid down by its own members, or heterogamous, when the order governing it has been imposed by an outside agency. They also may be autocephalous, when the chief and his staff are selected according to rules laid down by the members, or heterocephalous when the chief and his staff are selected by outsiders. (Weber, 1964, p 49-51)

Order in the organisation, according to Max Weber also, may be governed by voluntary agreement or by imposed orders. This order may also extend to cover the organisation's non-members who live in the vicinity, but whatever the

governing order of the organisation is, it takes the mandating role of a constitution that is abided by all, be it voluntary or imposed. The actions of an organization are governed by administrative rules when they concern organised action, but when they relate to other kinds of social action they become regulative orders. However, these are not absolute administrative or regulative orders in any one organisation and the actions are normally governed by a mixture or a combination of the two.

Organizations may also be enterprises when they adopt a continuous rational activity of a specified kind, but where they have continuously and rationally operating staff, they are then classified as formal organization. They may also be voluntary when their members join voluntarily, or they may be compulsory when the association of their members is based upon conformity results from any thing that becomes obtainable by that community. These include all scientific achievements, beliefs, arts, values, rules, habits and otherwise. All such organizations function according to formal or informal rules and procedures, and thus order as both a substance and as a process joins the values shared by members of the organization. However, the presence of order does not always mean that significant diversity within the community will not be present.

Weber considered bureaucratic organisation as any administrative form which was based upon a particular form of legitimacy, based upon men believing that their rules were acting in accordance with legal codes and rules - rather than respect for tradition or the personal qualities of the rules. He argues that the effectiveness of legal authority rests on the acceptance of the validity of a number of mutually interrelated ideas. (Weber, 1978, p 32-330)

Weber related rational-legal authority to certain organisational forms: The design and control of administrative work, and the nature of bureaucratic appointments, promotions and personnel, for example, the fact that the members of the bureaucracy inhabit clearly defined offices arranged hierarchically. The officials are selected on merit, and enter a career and incumbents, not owners of their bureaucratic positions. Weber regarded this form of administration structure as "the present type of excessive of legal authority." (Weber, 1978, p 333)

Although Weber's examples are historic, and Weber was writing through a period of rapid German industrialisation, his insight is common to many existing features of UAE business activity. Managerial positions are frequently handed down from one generation to the next as firms establish their own dynasties based on the process of 'localisation'. Weber's linkage between religion and organizations has particular relevance for the culture of oil industries within the UAE. Capitalism as an economic system is based on the long-term calculation of financial gain. For Weber (1930), the aim was supported by the *'Protestant Ethic'*. For the oil industry in the UAE, this moral guidance has its counterpart in the Koran. Both systems require their adherents to achieve their salvation through hard work and industrious activity here on earth. In Weber's era, emphasis was just beginning to be advocated for the masses (note the Great Educational Reform Act in the UK in 1870), whereas the opening words of the Koran are effectively a plea by the Great Prophet to read and educate.

Thus by way of summing it up, according to Weber, bureaucracy is the form of administration which best exemplifies the principles of rational-legal authority i.e. it is based on rules; abstract rules which are applied, by the official, to

particular cases. Bureaucratic positions are clearly defined with respect to authority and responsibilities, and are organised hierarchically, each layer being responsible for the control, supervision and direction of the subordinate office. The work of an office or position, is regulated by rules; after all, rational-legal authority as represented in bureaucracy, involves "a continuous organization of official functions found by rules." (Weber, 1978, p 218) It is through the creation of these bureaucratic rules and their application by organizational members to their specified areas of activity, that bureaucracies achieve the precision, stability and reliability which Weber remarks on; and it is as the result of such rule determined decisions and choices that the spirit of formalistic impersonality achieves dominance. (Weber, 1978, p 225)

Weber gathered together all those features, which in his view represented the organisational manifestations. In other words, he described the Government Department, Military organisations and even some forms of industry and commerce. In an organisation of this sort, direction is applied through rules, norms and procedures applied to tightly prescribed work activities. Control is exercised through hierarchy whereby each position monitors and supervises the work of subordinate positions.

Weber also suggested the technical knowledge of other features of bureaucratic organization, he remarked as follows:

"Bureaucratic administration means fundamentally the exercise of control on the basis of knowledge . . . This consists on the one hand in technical knowledge . . . but in addition to this, bureaucratic organisations, or the

14

holder of power also make use of them, have the tendency to increase their power still further by the knowledge growing out of experience in the services. For they acquire through the conduct of office a special knowledge of facts and have available store of documentary material peculiar to themselves."
(Weber, 1978, p 220)

So only a person who has demonstrated an adequate technical training is qualified to be a member of the administrative staff of such organisation.

Weber (1978) attempted to describe this perfectly rational organisation that performed its job with maximum efficiency. The model of bureaucracy he constructed was his ideal organisational design. Basing his model on reasoning rather than empirical evidence, he described the characteristics of the administrative framework.

It comprised these features:

- *"Impersonal and formal conduct."*

  Personality and emotionally based relationships interfere with rationality. Therefore, nepotism and favouritism on a non-performance-related basis should be eliminated.

- *"Salary, employment and promotion on the basis of technical competence and performance."*

  These criteria are the real basis for legitimisation of authority. Following them ensures that the best qualified people will pursue a career in the

organisation and remain loyal to it. Each job has a definite and fixed salary attached to it.

- *"Systematic specialisation of labour and specification of responsibilities."* All the work necessary to accomplish the tasks of the organisation should be divided into specific areas of competence. Each employee and supervisor would have authority over his functions and would not interfere with the conduct of others' jobs.

- *"Well-ordered system of rules and procedures that regulate the conduct of work."*

Rules serve several purposes:

  a. They standardise operations and decisions.

  b. They serve as receptacles of past learning.

  c. They protect incumbents and ensure equality of treatment.

The learning of rules represents much of the technical competence of incumbents because they tell them what decision to make and when to make it.

- *"Hierarchy of positions such that every position is controlled by a higher one."*

The hierarchy of authority is impersonal, based on rules, and the superior position is held by one having greater expertise. Thus, compliance with rules and co-ordination is systematically ensured.

- *"Complete separation of the property and affairs of the organisation from the personal property and affairs of the incumbents."*

This serves to prevent the demands and interests of personal affairs from interfering with the rational impersonal conduct of the organisational business.

Bureaucratic organization is not a distinctively modern phenomenon, as Mouzelis (1975) recognises in the interesting introduction to the second edition of his Organization and Bureaucracy, where he draws upon recent historical sociology to construct a description of the development of the bureaucratisation (and on occasions de-bureaucratisation) of the state. Weber (1978, p 204) argues that bureaucracy exists "in ever purer forms" in "the modern European states and, increasingly, all public corporations since the time of princely absolution . . . the larger modern capitalist enterprise, the more so as it becomes greater and more complicated." Weber advances a specific reason why this should be so:

"The decisive reason for the advance of bureaucratic organization has always been its purely technical superiority over any other form of organization. The fully developed bureaucratic mechanism compares with other organisation exactly, as does the machine with the non-mechanical modes of production." (Weber, 1978, p 214)

The emergence of this form of rationality, the modern bureaucratic organization, is 'demanded,' says Weber: "The peculiarity of modern culture, and specifically of its technical and economic basis, demands this very 'calculability' of results." (Weber, 1978, p 215) More specifically:

"Today it is primarily the capitalist market economy which demands the official business of the administration be discharged precisely, unambiguously, continuously, and with as much speed as possible. Normally, the very large modern capitalist enterprises are themselves unequalled modes of strict bureaucratic organisation. Business management throughout rests on increasing precision, deadlines and above all, the speed of operations. . . . Bureaucratisation offers above all the optimum possibility for carrying through the principle of specialising administrative functions according to purely objective considerations.

Individual performances are allocated to functionaries who have specialised training and who by practice learn more and more. The 'objective' discharge of business primarily means a discharge of business according to calculable rules and without regard for persons." (Weber, 1978, p 215)

In his General Economic History (1923) Weber enumerates a number of factors which constitute this 'peculiarity of modern culture', this 'capitalist market economy', with a set of factors which include: the existence of a 'formally free' labour force; the appropriation and concentration of the physical means of production as disposable private property; the representation of share rights in organisations and property ownership; and the 'rationalisation' of various institutional areas such as the market, technology and the law. In particular, rationalisation of the market would depend upon the existence of an economic

surplus and its exchange in monetary terms as 'normal preconditions' for this market. And in turn the market is the historical product not of reason, but of might: "money, prices are the product of conflicts of interest and compromise." (Weber, 1978, p 211) The rationalisation of work, argues Weber, is to be found in its most extreme form in the American system of scientific management which "enjoys the greatest triumphs in the rational conditioning and training of work performances." (Weber, 1978, p 261) These 'triumphs' are those of 'dehumanisation,' and derive from the 'special' virtue and 'specific nature' of bureaucratic, rational organisation:

"Its specific nature, which is welcomed by capitalism, develops the more perfectly the more bureaucracy is 'dehumanised' . . . this is the specific nature of bureaucracy and it is appraised as its special virtue." (Weber, 1978, p 215-16)

Organizations, which Weber referred to as bureaucracies, sets norms and needs to enforce them. They have rules, regulations and issue orders, which must be obeyed if the organisation is to function effectively. To a degree, an organization can rely on its power to make the participant obey. That is, it can use some of its resources to reward those who follow its rulings and penalise those who do not.

In order to enhance the organizational freedom, its resources have to be free of any outside control and the positions can not be monopolised by any incumbent.

They have to be free to be allocated and re-allocated according to the needs of the organization.

As communities differ, cultures differ too, which prompts us to distinguish and differentiate cultural areas, one from the other. Geographically speaking, a cultural area may include within it a number of peoples or tribes that are distinguished by their social, economic or cultural traits with perhaps other underlying unifying factors also present. It is certainly the case that there may be significant discrepancies in the specific blend of characteristics among the peoples and tribes within the cultural area, but despite these discrepancies, the uniformity remains dominant. However, over time this uniformity manifests itself more and more in both material and non-material aspects of the culture including its scientific, artistic, philosophical, technological and other relevant traits, which are paralleled by definite changes in the structure and functions of the society.

Although the individual in a community or a society becomes shaped by the multiplicity of cultural traits that affect him within his society, and that are bequeathed to him as a legacy by his predecessors, it goes without saying that some of these bequeathed traits and values also differ in their intensity and thus determine individual behavioural patterns. On the other hand where integration of cultural patterns is not easily embraced by the members of a community, it is certain to diminish coherence within the community, and encourage chaos and interpersonal conflict which in turn leads to psychological and social dissonance and societal unrest.

Weber highlights this potential by noting that social relationships in any society may develop into conflicts where actors carry out their own will amidst

resistance of other actors. This conflict may develop into competition where actors exert what is effectively conflict and attempt to attain control over ensuring opportunities. Another potential outcome of this societal unrest is a form of struggle that extends beyond peaceful competition and ruptures the sense or order achieved within the community, at least for a time, until a new social equilibrium is achieved. (Weber, 1964, p 39-40)

Weber's contribution to our understanding of social interaction and the products of that interaction within organisations and communities is enormous and seminal. His conceptualisation of the roles of values and shared-values culture, his notion of the implications of rational and irrational conduct, validity, legitimacy, order and most importantly the interaction of these concepts upon groups is profound. Weber's conceptualization of bureaucratic order remains the standard from which all other research and theoretical constructs concerning organizational behaviour spring. For these reasons, the remainder of this thesis will liberally call upon Weber's immense scholarly contribution in order to understand and interpret events in the society under examination. While Weber's contribution to organizational theory still provides an essential framework for analysis, it is also well studied and supplemented by scholars. The following contributions will also play an important role in this thesis research.

1.3 Critiques of Weber

Max Weber over time has become the essential authority within the literature concerning the behaviour of individuals within groups. Indeed, his theory is both elegant and grand, and has become the almost unassailable icon of organisational

literature. It is important to remember, however, that Weber's theory is a product of his era and world-region. Further, it perhaps over-stressed the economic dimension of social transaction between individuals. Several criticisms of Weberian theory have surfaced which provide important insights into the group/organisational behaviour. The more prominent of these critiques specifically discuss Weber's notion of organisational bureaucracy. These critiques are very important to the development of this thesis, because for Weber's organizations, including ultimately very large organisations such as social communities, conform to predictable 'bureaucratic' behaviour. As we shall learn from the critiques below, Weber's theory may be too sweeping.

As has been discussed previously, Weber's conceptualization of bureaucracy rests upon his belief that bureaucratic organisations are tightly structured, hierarchical organizations characterised by rational processes. Weber believed that organisations were both inevitable in their function and role in society, and extraordinarily efficient, perhaps especially efficient, when very large. Blau (1955) has noted that workers within bureaucracies and between bureaucracies can form 'primary groups' and that in so doing, can influence organisational behaviour in important and even startling ways. Today we better understand Blau's (1955) point that the 'informal' organisation, a phenomenon nor envisioned by Weber, is often more influential within bureaucracy than the formal organization. In fact the introduction of computer-service electronic mail in modern oganizations has empowered the informal organization as much as it has the formal one.

A different, and at first glance contradictory, notion is articulated by Michel. Michel (1949) has expounded his view that an 'Iron Law of Oligarchy' governs bureaucratic activity. Michel believes that over time a concentration of organisational power will inevitably be located among a very few individuals at the top of the organisational pyramid. The critique of Weber shared by Blau and Michel is that Weber's view that structure, expertise and organisational position within the hierarchy or organisation explained the distribution of power is insufficient and in many ways wrong. In this respect the elegance of Weber's theory must be adjudicated by the empirical reality described by both Blau and Michel. Structure may define the apparent power relationship, but the actual distribution of power will inevitably depend somewhat upon structure, and also upon a number of other factors that define human behaviour in any organisation, including bureaucratic ones. In fact, it is reasonable to assert that in very large organisations the tendency for structure to govern organisational behaviour is diminished - structure is likely to be more influential in simple bureaucratic organisations.

It may also be important to note that Weber's analysis of organizational and/or bureaucratic culture may be skewed by his own ethnic/regional bias. As noted by White and Trevor (1983) in Japan's bureaucratic culture, one must acknowledge a very efficient bureaucratic culture, embraces many organisational principles in stark opposition to the Weberian model of bureaucratic efficiency. Specifically, Japanese organisations routinely practice bottom-up decision making and consultation between all levels within the organisational hierarchy. As opposed to the Weberian notion of great specialisation and expertise among bureaucratic

workers, Japanese workers tend to shift from department to department throughout their career but they are very loyal to their organisation. Perhaps most importantly, Weber viewed the bureaucratic workplace in isolation, a place where individuals pursued their economic interests in isolation from other social and familial pressures. As we are now well aware, Japanese bureaucratic organizations have turned this principle on its head. It is a common practice that Japanese employees who join large organisations do so for life, and the organisation takes on the attributes of family and friend, as well as employer. For the sociologist, Japanese organisations offer the opportunity to study the full variety of organisational and group behaviour at a single location.

The Weberian model remains the standard yet to the critiques mentioned above, what must be added is the reality of advanced information technology. Information technology enables the 'customers' of bureaucratic organizations, as well as the members of that organization, the ability to petition the system of authority in many different ways. This new 'democracy,' enabled by information technology, creates an inevitable tension within the bureaucracy charged with the specific functional responsibility for decision making. Information technology tends to increase the bureaucratic power of lower organisational decision makers, thus further diminishing the applicability of Weber's (and Michel's) notions of structure-based decisional authority.

1.3.1 Critiques of Weber's Bureaucratic Model

Not unlike the theories of Weber on social interaction in a general sense, Weber's theories of bureaucracy and particularly his insights into industrial

organisations have received substantial attention from scholars since his efforts were published and studied. Once again, it is important to note that the theories of Weber reflect his worldview and experience during his era in continental Europe and that prior to Weber such theories did not exist. Without a doubt, the construction of China's great wall was managed by a bureaucratic organization, but we are not today favored with the theory upon which that organisation was constructed. Weber's efforts are the first to both describe and explain organizational behaviour. In this sense, Weber's now very dated and much critiqued theories should be valued for their truly seminal contribution. As will be evident from the discussion below, the evolution of bureaucratic study now includes significant critique of the initial critiques of Weber.

Weber's typology of traditional, charismatic and rational-legal structures developed a model of bureaucratic organization, which Parsons expressed and formulated:

"Rules in bureaucratic organization can be seen as achieved, universalistic, specific, effectively-neutral and collectively originated." (Parsons, 1951)

Weber committed himself to this type of organisation as the 'most efficient.' Weber had written at a time when such an inflexible notion of organizational efficiency might have substance. Weber could not foresee that his concept of 'bureaucracy' might be inappropriate for the problem of organisational administration during a period of rapidly changing technology. This general line of criticism has been developed by some theorists who had spoken of "the need

for. . . flexible structure or autonomy" (Bennis, 1966, p 13 - Likert, 1961, p 98) in modern organisations and they have correctly and persuasively criticised bureaucracy for being slow to adapt to a changing environment.

Because of the failure of Weber's ideal type to take account of individual human needs, many in the human relations school of management behaviour criticise it. It is certainly without question that Weber appeared to have considered only half of the problem, as he seems to elegantly ignore informal organisation dynamics. Bennis, in a most extreme form, described it as "organizations as if they existed without people." (Bennis, 1966, p 66)

As Weber goes to great lengths to show the means by which different structures are legitimated to their members, the above criticism's validity is limited. Weber's theoretical and methodological work would reveal that he is uninterested in the personal needs or even the diversity between individuals, but very much concerned with individuals as social actors.

Bureaucracy, however imperfect its initial description by Weber, remains the basis of administration in most societies, and it remains a model which continues to describe the actual management practices of large units under relatively stable conditions. Handy argued that the objective organization will succeed as long as it can operate in a stable environment, writing about bureaucracy he said:

"So the civil service, the automobile and oil industry, life insurance companies and retail banking are usually role culture and successful ones." (Handy, 1981, p 180)

Those who believe that Weber's notions of bureaucracy were rigid and inflexible, found the schools of 'scientific management' to be incredibly de-humanizing.

Taylorism

In contrast to Weber's insistence on the irresistible advance of discipline and rationalisation, the scientific management movement appeared when it did because of problems posed for capitalist enterprise by the organization of labour. This problem of organization was one of control: how "to provide a really effective general mechanism for keeping labour hard at work." (Hobsbawm, 1975, p 221)

What scientific management provided was a bureaucratization of the structure of control that lacked any conception of a career in the Weberian sense of bureaucracy - it was indeed 'de-humanised.' No individual human potentialities would enable any particularly skilled worker to develop any creative capacities, these would remain captive and stunted. Indeed, this was a deliberate function of de-skilling. (Littler, 1978, p 192-4)

Scientific management, also known as Taylorism, developed as a way of attempting to quicken the rate of exploitation of labour in the production process through the re-organization of the exchange relationship at work.

Taylor is regarded in the literature as the founder of 'scientific management,' the time and motion study of operations which derives its claim to science from "accurate and scientific study of unit times." (Taylor, 1903, p 58) What the technique of scientific management does is "aim to increase productivity by improving the performance of the workers" (Anastasi, 1964, p 173) by taking given manual operations and collapsing them into their component smallest and

simplest elements of motion. In his Principles of Scientific Management Taylor had three basic aims in order to increase the productivity of labour:

- To point out, through a series of simple illustrations, the great loss which the whole country is suffering through inefficiency in almost all of our daily acts.

- To try to convince the reader that the remedy for this inefficiency lies in systematic management, rather than in searching for some extraordinary man.

- To prove that the best management is a true science, resting upon clearly defined laws, rules and principles, as a foundation.

  (Taylor, 1911, p 1)

Starting with the basic assumption that people are lazy and will attempt to get away with doing the minimum, Taylor advocated the use of an empirical approach to the management of industry. This empirical approach entailed the utilisation of a number of specific techniques. These techniques could be applied to any industrial situation, since any enterprise was subject to certain basic laws in its operation. There were always certain constant and regular features in organizations. These had to be discovered empirically - through observation and experimentation - so that the optimal performance could be achieved within the enterprise. In order to gain something of the flavour of Taylor's ideas it is useful to briefly summarise his areas of concern and recommendations.

- *The Division of Labour.* Not only should there be an extensive division of labour on the shop floor, (as Adam Smith (1937) had advocated a century before), this should be extended to the managerial echelons. The main

function of management should be future planning. In this way it was then possible for the worker to concentrate wholly on carrying out the task. He believed that there were distinct personality types; one would lend itself well to the planning function (manager), while the other was more suitable to the doing function (worker). As well as this broad division of task, Taylor also recommended a minute division of tasks in such a way that each individual, both worker and manager, should be responsible for one function only. Taylor argued that up till then the worker had been left on his own to organize his work-life as best he saw fit. With the application of scientific methods, management could accurately specify each task.

- *Work Measurement.* Taylor advocated the use of time study in order that the optimal way of carrying out a task could be discovered. This he saw as being the essential component of scientific management. It involved measuring and studying what he referred to as 'unit times.'

Under capitalism, Taylor argued that the worker had to learn his task himself or through imitation. Both of these approaches meant that the worker often devised an inappropriate method of working. In order to overcome the inefficiency of this approach, Taylor prescribed that all tasks should be divided and that there should be a description of these tasks. Having made these descriptions, the most efficient combination of tasks could be worked out be provide for optimal efficiency. Once achieved, it was then management's task to train the worker in this most efficient 'modus operandi.'

- *Task Prescriptions.* Not only should the tasks be minutely divided and the optimal method of achieving these tasks be described, the worker should also be given a clear description of what is required of him. Here Taylor stresses the planning function of management in industrial enterprises, that tasks should be well planned in advance and that the worker be given written instructions concerning what his particular task is to be. In this way, it was argued, both the worker and manager have clearly laid down standards that facilitate work measurement.

- *Incentive Schemes.* It was to be made clear to the worker that there was a price for each piece of work and that his pay was dependent upon his achieving the prescribed output. In the event of achieving a greater output then a bonus payment was operational. Taylor argued that the bonuses paid should be generous and consistent.

- *Work as an Individual Activity.* Taylor, unlike his human relations successors, was opposed to any kind of group activity. Part of Taylor's philosophy was that people are motivated by personal ambition and that once put into a group the individual loses his or her individual drive. The influence of the group is such as to make one less productive. He argued that female workers were particularly prone to such pressures and indeed separated them in such a way that verbal interaction was impossible.

- *Motivation.* Taylor argued that self-interest was the over-riding driving force for most people. Consequently, what workers wanted was higher wages, the payment of such was the only way to increase productivity. Equally, Taylor argued that, for most individuals, work was abhorrent and

was something to be avoided or finished in the shortest possible time. At one stage he argued that once the worker had completed his allotted task he should be allowed to go home - although he never put this idea into practice.

- *Individual Ability.* Taylor made a distinction between the abilities of workers and managers. The basic difference, as he saw it, was that workers were unable to defer any gratification; they existed for the present rather than for any future reward.

- *The Role of Management.* The crucial thing for management was that it was forward-looking, i.e. had the ability to plan, and could organise labour and supervise effectively. He advocated authoritarian methods of management in that the organizational rules, standards, methods of working and so on should be enforced.

- *Trade Unions.* Predictably, Taylor was against the trade union movement, largely because he regarded trade unions as unnecessary under his system of work activity. The employers, he argued, were on the same side as the workers.

- *The Development of Management Thinking.* Taylor, through scientific management, saw the development of management as a science. Implied in this, however, is the idea that specific laws could be derived for management practice and that these laws would relate specifically to wage rates and ways of doing work. Arriving at these laws involved management in the use of scientific method.

The scientific management techniques stemmed from the assumption that man was an economic creature, limited to his pursuit of gain only by his physiological capacities. However, the simplistic view of motivation implicit in this approach did not recommend it to later psychologists. They argued that man has other than purely economic motives. "There are many incentives, of which under normal conditions, money is the most important." (Brown, 1954, p 187)

Another argument was that the 'carrot and-stick' hypothesis about the relationship between behaviour and rewards is of doubtful validity. Furthermore, they depend on the view that the worker is an isolated individual rather than a social being who desires his satisfaction with his interaction with his fellows.

Fordism

Giddens in 1997 argued that Fordism is in reality an extension of Taylor's (1911) 'Principles of Scientific Management,' a system that sought to regulate and standardize mass production, and was tied to the cultivation of mass markets. In the years following the introduction of Taylor's theories, the favoured images of advanced scientific techniques that America presented to the world were changing, and would indeed continue to change. The teachings of Taylorism, in its strictest sense, were viewed more critically, while Fordism assumed a position of respectability. A German commentator (Briefs, 1928) explained the change as a widening of scope; while Taylorism concerned only the management of labour, Ford's doctrines stressed reorganisation of the entire productive process. (Maier, 1970, p 54)

Ford's contributions stressed the introduction of the moving assembly line, standardization, and the further enlargement of a mass market not only through

low prices and high wages, but also by mass advertising and hire purchase. (Ewen, 1976) The introduction of Fordism at this time served to justify the subordination of many small producers to large firms. In both Germany and Italy this rationalisation "accompanied a government shift to protectionism and a deflationary re-conversion to the gold standard. In such a transition, with its own liquidity crisis, concentration of industries and pressure on wages was a logical response," as Maier (1970, p 56-7) argues, and was one increasingly adopted throughout Europe.

1.4 Critiques of Scientific Management

While the trend towards larger and larger organizations remains important, other change is also occurring in modern societies, and in the post-world war two era, theories of organizational behaviour which stressed the 'human side of enterprise' began to dominate the literature. This change in scholarly learning subjected the traditional notions and forms of bureaucracy, and most particularly the principles of scientific management, to increasing criticism and pressure. Important additions to the literature continue to suggest that traditional bureaucratic organizations, and/or organizations which embrace scientific management techniques are not well equipped to cope with the post-industrial age. A general summary of these critiques is as follows:

- *Individuals Are Not Automatic.* One of the major criticism levelled against the bureaucratic/scientific model is in terms of its tendency to treat individuals like machines. If we neglect the personal characteristics of an individual, it follows that in a bureaucratic structure where formal rules and procedures are

supposedly ubiquitous, then any individual should be able to perform any function simply by following the rules. This is not true, since individuals always bring with them, to any situation or task, their own characteristics that partly determine the extent to which a task will be successfully accomplished. Gouldner (1954), Merton (1940) and Selznick (1943) argued that the existence of personal characteristics is partially a way of accounting for the unintended result that each of their respective models of bureaucracy suggests, over and above the intended consequences of the bureaucratic model.

- *Rules Do Not Cover Every Contingency*. There remains a tendency in many contemporary organizations to standardise as many tasks as possible, constructing a number of rules that need to be followed for the task to be 'efficiently' performed. The impersonality of the rules combined with their actual existence indicate that dysfunction, such as; reduced employee morale and lower levels of productivity, may pertain. Blau, 1955, argued that rules and procedures can not be designed to cover every possible decision (p 201). The organizational member should not be made to adhere rigidly to a preconceived set of rules but should be allowed to adjust his behaviour according to circumstances as they arise.

- *Organizations Generate the Formation of Informal Groups*. The informal group has been well documented by the Hawthorne Studies and similar research. Bureaucracy and the emergence of the informal group can present an organisation with challenges with respect to the realisation of its goals. Gidden (1997) commented that Weber's analysis of bureaucracy gives prime attention to formal relations within organisations. He further commented that

in bureaucracies, informal ways of doing things are often the chief means by which a measure of flexibility is achieved.

> *"Informal networks tend to develop at all levels of organisations. At the very top, personal ties and connections may be more important in the real structure of power than the formal situation in which decisions are supposed to be made."* (Gidden, 1997, p 288)

- *Efficiency and Innovation Are Not Synonymous.* Burns and Stalker (1961) have demonstrated that if an organisation has to survive or develop in a changing environment, it is necessary for a more organic form of organisation to exist. They argued that bureaucracies are slow to adapt to change, whether this change be internal or external, in spite of the fact that they may have been established to generate the maximum efficiency.

- *Individuals Can Be Decision Makers.* In spite of certain tendencies to standardise many organisational tasks, individuals often need to make decisions in an organisation. The bureaucratic model does not recognise this opportunity. Such individual decision-making is often regarded as anathema by bureaucratic officials.

- *Bureaucracy is Most Appropriate to Large Organisations.* Pugh and Hickson (1976) argued that as organisations grew in size, there was an empirical tendency for them to become more routine and formalised e.g. bureaucratic.

Larger organizations tend to have more specialisation, more standardisation and more formalisation than smaller organisations. The lack of relationship between size and remaining structural dimensions, e.g. concentration of authority. . . and line control of workflow. . . was equally striking (p 87).

It follows that in organizations that are smaller and less complex, bureaucracy may not be the most appropriate structure. In general, there will tend to be less need for many of the characteristics of the bureaucratic organisations.

Merton (1940) saw control and co-ordination by rules as an aid to the organization's rationality because rules promote predictability of behaviour. But they also make the bureaucrat's behaviour less flexible. He also argued that when an emphasis on rules develop in bureaucracies, the rules are eventually adapted by members as personal goals. The rules are no longer simple ways to achieve organizational goals but become personal goals in themselves. This then leads to organizational ineffectiveness (p 560-68).

Selznick (1960) believed that means can become ends through goal displacement. In his view, displacement arises from the need to delegate power to sub-units in an organisation. As the organization becomes larger and gains more departmental sub-units, it becomes necessary to delegate operational decision making authority to the sub-units.

Bennis (1966) sees bureaucracy as overly mechanical and no longer useful. It fails to provide executives with the means to deal with a modern organizational environment that is characterised by change rather than by stability. Bennis (1974) predicted the death of bureaucracy as an organizational form, but later changed his mind (p 50-66).

The following checklist provides a suitable summary of Weber's 'pure form' of bureaucracy,

- *Specialisation.* The work of individuals and departments is broken down into distinct, routine and well-defined tasks.

- *Formalization.* Formal rules and procedures and followed to standardize and control the actions of the organization's members.

- *Clear hierarchy.* A multi-level 'pyramid of authority' clearly defines how each level supervises the other.

- *Promotion by merit.* The selection and promotion of staff on public criteria (e.g. qualifications or proven competence) rather than on the unexplained preferences of superiors.

- *Impersonal rewards and sanctions.* Rewards and disciplinary procedures are applied impersonally and by standardized procedures.

- *Career tenure.* Job-holders are assured of a job as long as they commit themselves to the organization.

- *Separation of careers and private lives.* People are expected to arrange their personal lives so as not to interfere with their activities on behalf of the organization.

Promotion by Merit and *Seperation of careers and private lives* are particularly interesting in the light of the shift of a traditional working culture to one which carries the features of western (modern) methodology. For example, the dictates of Islam can compare very closely with the concept of Weber's 'Protestant Ethic' which is more appropriate to 19th Century non-conformism and industrialization. Family influences had and still have a considerable impact on

the selection and promotion of staff - at all levels. (The checklist is taken from Charles Handy's, *Understanding Organizations*, p 192)

1.5 Significant Additions to the Literature

In addition to the critiques of traditional social and organisational theory, other analysts have also provided insights into the very nature of socialisation and organisational behaviour. The social anthropologist Frederick Barth (1968) has made a number of important contributions to our understanding of cultural and ethnic groups and communities. As a starting point, anthropologists such as Barth tend to view members of a community who adopt and share amongst themselves a unique culture as an ethnic group of a larger community. This larger community shares traits and ideological beliefs, yet does not necessarily share all cultural practices of the smaller community. Extending this concept and applying it to larger societies, or perhaps nations, it is theoretically possible to assume that the population of these nations of shared traits can be conceptualised as bigger ethnic groups in the larger community of the world. Social anthropologists however, according to Barth:

"have abridged the differences of these large ethnic groupings (which I postulate above as nations) by using a highly abstracted concept of 'society' to represent the encompassing social system within which smaller and concrete groups and units may be analysed." (Barth, 1968, p 2)

Barth goes on to say that:

"though the naive assumption that each tribe and people has maintained its culture through a bellicose ignorance of its neighbours is no longer entertained, the simplistic view that geographical and social isolation have been critical factors in sustaining cultural diversity persists." (Barth, 1968, p 2 - 199)

In Barth's view, ethnic groups are biologically self-perpetuating and share fundamental cultural values realised in their unity in cultural form and practice. Similar to Weber's conceptualization of organizations, Barth believes that ethnic groups construct serviceable links of communication and interaction and have a membership which identifies itself, and can be identified by others. (Barth, 1968, p 13)

While significant and respected disagreement with Barth's conceptual understanding of ethnic groups within larger societies does not exist. Therefore, this leads to the preliminary conclusion (and research assumption) that within this 'larger ethnic group' or nation of natives, there are social relationships that indicate, and to a degree define, the behaviour of the totality of the members. These relationships become meaningful and are instrumental in creating social and cultural uniformity amongst these members. These traits may persist within the boundaries of that nation and may take on a rigid form, and become extraordinarily resistant to change. On the other hand, and according to Barth again:

"individuals or small groups, because of their specific economic and political circumstances in their former position and among assimilating groups, may change their locality, their substance pattern, their political allegiance and form, or their household membership." (Barth, 1968, p 24)

As this inevitable process of individual change occurs, the entire society also changes in the long run, but where individuals rigidly adhere to their existent cultural identity, as defined by close adherence to a culturally specific set of value standards, and hold fast to the degree possible their allegiance to these standards, the group change will take longer to be effected. For Barth, change is inevitable in any society and culture, and the process of change is common to all of them. But the speed of this change depends on the products and institutions of industrial societies, this despite the fact that reduction in cultural differences between one society and another may not correlate in any simple way with the organisational qualities of either society, or with the recognised physical boundaries that separate each of them from the other.

Barth describes this change process as a relatively complex phenomenon. In this sense, he tends to emphasise the relationship and interaction between the agents of change e.g. the strategies employed, and people's attraction to them, and the organisational implications of the different choices that are available. Barth notes that history frequently and correctly credits that the individuals who constitute such agents of change tend to define their era. Such agents of change, in their pursuit of meaningful participation in wider social systems, may attempt to

pass and become incorporated in the pre-established industrial society and cultural group, and indeed may even for a time accept what he calls a 'minority' status by retaining certain qualities while at the same time participating in the larger whole.

The Process of Change

It is worth considering here the actual dynamics of change. Change, in general in society and particularly in the oil industry, needs to be managed effectively and resistance to strategic change kept to a minimum. The one variable common to all changed strategies is that the more involvement that is permitted, the slower the changes occur. Changes within a democracy will always take longer than changes within a bureaucracy. What are the major change strategies?

- *Systems Intervention Strategy (SIS)*. SIS has its origins in engineering and is regarded as being at the *hard* end of the change continuum, with its focus on 'things' to change in the short term. The 'soft' end of the continuum, by contrast, will have its focus on 'people' and 'emotions'. With the emphasis on 'things', the problem background (the need for change) will be 'bounded' which means that there is an easy diagnosis and easy solution. For example, a 'hard' problem may be the shortage of space/accommodation in a particular organization. The 'hard' solution - the construction of a new office block. A simple 'systems' approach is all that is needed. On the other hand, there may be fears of redundancies, insecurities and competition for office space in the new surroundings - this is dealing with the 'hearts and minds' of the people and is regarded as a

'soft' problem. The problem is unbounded which means that there is no easy solution and the change agent should have a background in the behavioural sciences. There are three overlapping phase in SIS as illustrated by the diagram below. The process comprises three phases and nine stages and is iterative.
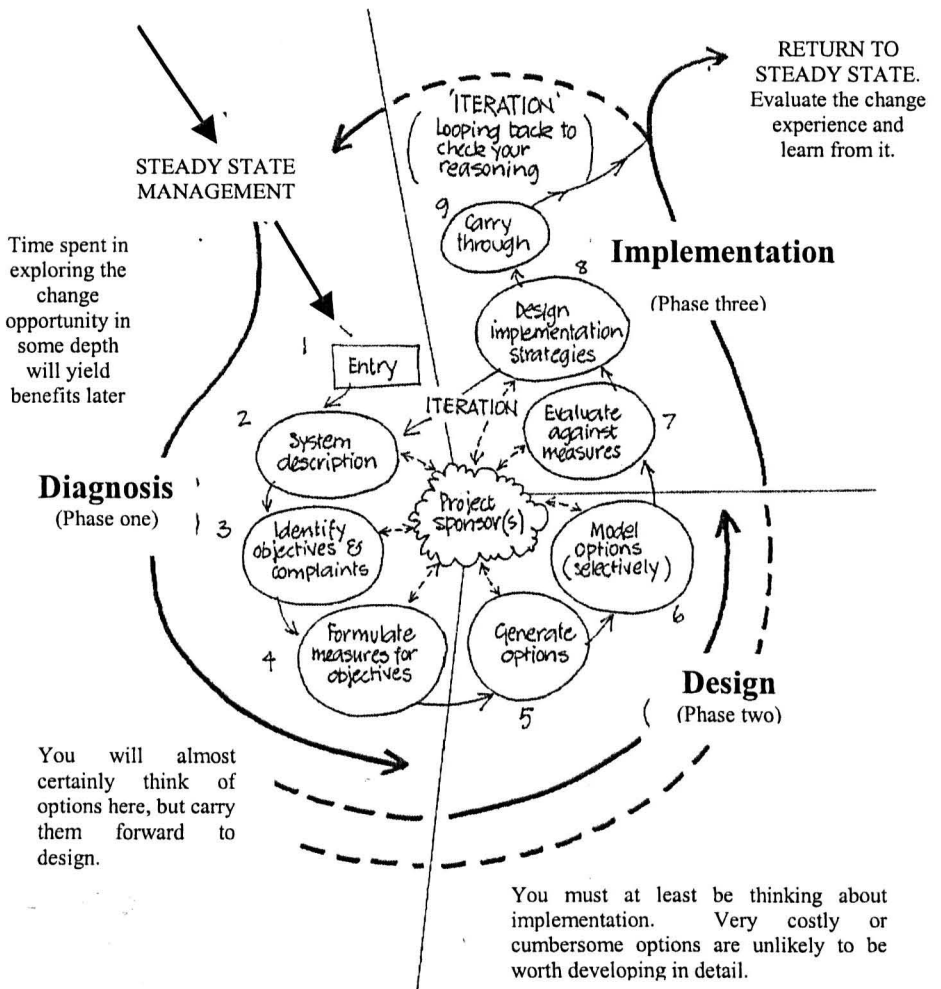
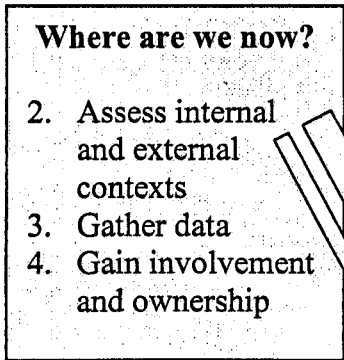A general model of the Systems Intervention Strategy

This leads on to....

Organizational Development (OD). The OD approach to managing change has five distinguishing features:

- It is a broad, sustained, medium- to long-term approach and used primarily for unbounded problems. The strategic and sustained focus of OD links environmental and internal changes and is a multi-method approach

- It draws of the findings and methods of behavioural science - psychology, sociology, anthropology, political science and a multidisciplinary team comprising not only economists, business strategists, marketeers, line managers, but also human resource specialists and operational and process managers

- It is process-orientated rather than goal-orientated - the process of change is not simply an instrumental means to an end; within OD, how the change is managed is an integral feature of the change

- It involves a facilitator's role - those planning or managing change normally need the assistance of a facilitator with the appropriate change process skills and awareness. Often the facilitator will be external to the unit or even the organization

- It is participative - it is not a change process or strategy imposed upon people, it rests on participative decision-making within the organization and a consensual approach to determining the organization's purposes, values and the behaviours it deems appropriate.

A MODEL OF ORGANIZATIONAL DEVELOPMENT

DETERMINE THE FUTURE STATE

Where do we want to be?

1. Agree organizational purpose/mission

DIAGNOSE THE PRESENT STATE

Where are we now?

2. Assess internal and external contexts
3. Gather data
4. Gain involvement and ownership

MANAGE THE TRANSITION

5. Set targets for change
6. Implement change and Development activities
7. Evaluate and reinforce changes.

Determining the appropriate change methodologies in an organizational context

The diagram indicates clearly that 'bounded' problems with little emotional attachment will require less time than unbounded problems with high emotional input.
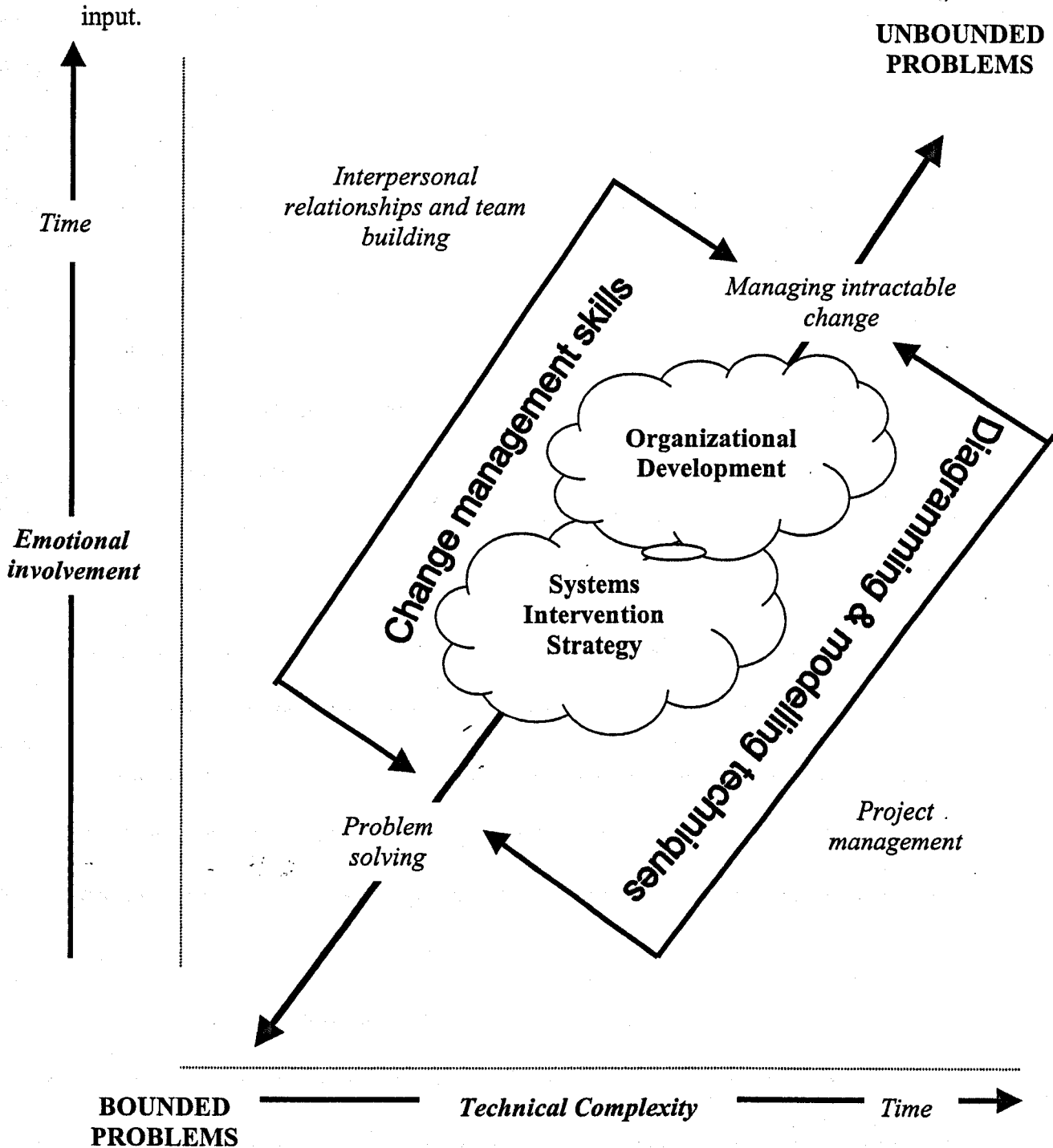
The process of change will require a number of strategic development in organizations which are complementary and not mutually exclusive. Similarly, 'incrementalism' complements OD in that fundamental and major changes are implemented in the long term when strategic decisions build one upon another, in small steps, following a path in which history and culture appear to play an important role in shaping future strategy. Quinn (1980), and others, have argued that such incremental development in organizations is not only inevitable, but logical. Managers consciously pursue an incremental approach to the management of complexity; they are cognizant that reducing each change down to the smallest common denominator takes the focus off strategic moves and the achievement of vision. Moreover, organizations are political entities in which trade-offs between various groups is inevitable; it is therefore impossible to arrive at a consensus strategy to encapsulate the whole organization in one radical change. To cope with the uncertainties and such compromises, strategies must be developed in stages, carrying members of the wider organization with them. This is in keeping with the system's approach to organizational development. By continually trying out new ideas and experiments and at low level, at each stage, managers see which stages are more likely to be effective and encourage commitment both lineally and vertically. This has become known as *logical incrementalism*.

This contrasts with Slatter's 'Turnaround' approach:

Turnaround (S.Slatter {1984} *Corporate Strategy)*. Turnaround change planning is the more radical of the change strategies and is only used when urgent action is absolutely necessary. Slatter's view is that this strategy should be used in

recovery situations and it comprises steps and actions which are needed for successful *turnaround* to occur. It is interesting that Slatter's (1984) research was based on organizations in the early 1980s but it is equally relevant today when many organizations, and particularly oil companies, are facing financial crises. The implementation of this sort of radical change is not only quite different in its approach from the other three which have been outlined, but it is also much more wide ranging in the scope of its impact. It invariably affects the whole organization. In a turnaround setting the speed of action is essential, so that the time frame for action is measured in days rather than weeks or months. Slatter (1984) suggested that eight steps are needed, which are outlined below, but several of these may be actioned simultaneously.

- Gain management control

- Establish and communicate credibility with stakeholders

- Assess the effectiveness of existing managers and replace if necessary

- Evaluate the business

- Action planning

- Implement organizational change as necessary

- Motivate management and staff

- Installation or improvement of budgetary systems

The eight actions above were identified by Slatter as a means of implementing the organizational and control strategies required in a turnaround, and in planning the other strategies which may be required to achieve recovery. While primarily concerned with these eight steps, the turnaround manager may also be

simultaneously implementing cost reduction and revenue generating strategies prior to the completion of the evaluation and action planning phrases.

It was stated at the beginning of this brief overview of the four major change strategies that the more involvement of staff, the slower the changes will take to implementation. The following diagram illustrates the point made.

Relative timescales of the four approaches to change
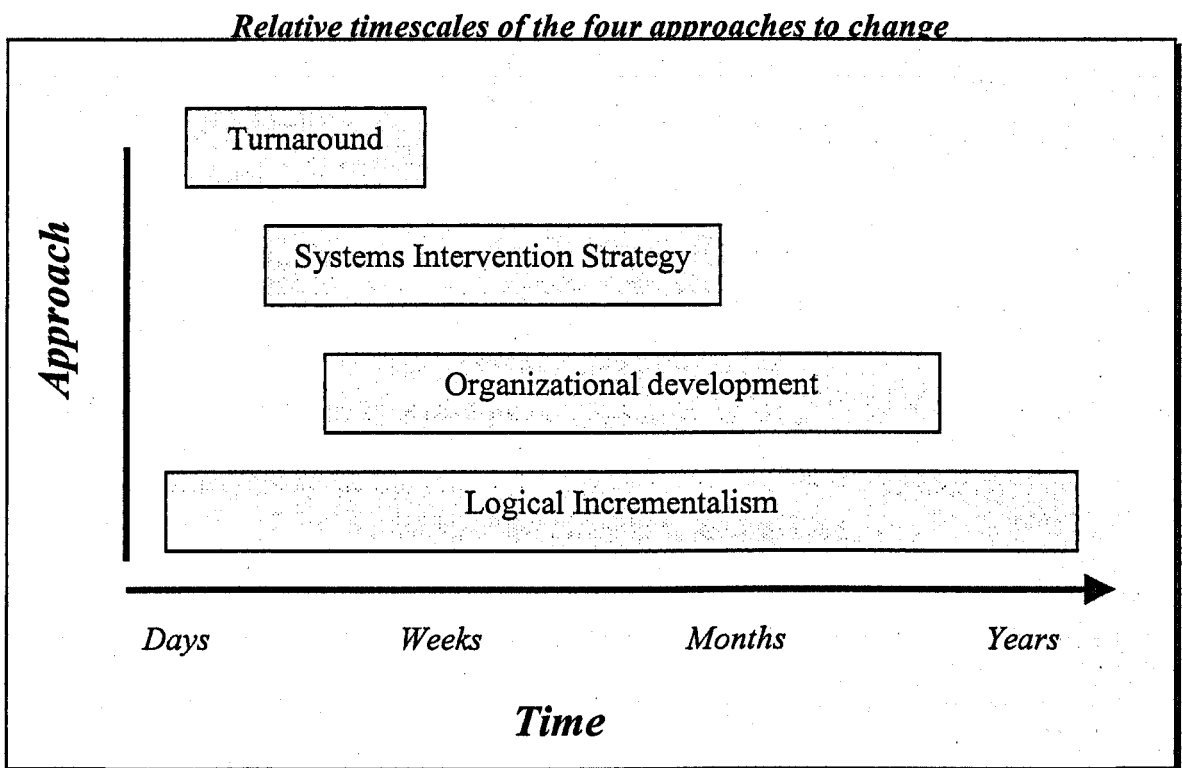
1.6 Traditional Culture and Sociological Change

Of particular significance to this particular research effort, Barth (1968) has also contributed to our understanding of traditional cultures and societies. Barth believes that a society or a community that is largely characterised by the dominance of qualities that are received as legacy from the predecessors of the members of the community, can be defined in these terms as a 'traditional' society.

By contrast, a society that has broken away from such dominance is not termed traditional, but also need not be labelled 'modern.' The criteria for modern societies are both subjective and prejudicial. The identity and distinctions in traditional groupings, as seen by Barth "are expressed in complex ritual idioms, prominently involving ancestor worship." (Barth, 1968, p 22)

Change in a society, according to Barth, is a process of assimilation which may take twofold in terms of the conditions that affect it. Namely; the presence of cultural mechanisms to implement the incorporation, including ideas of obligation to ancestors, and the incentive of obvious advantages to the assimilating household and leader as these have to do with their role as productive units.

Weber has also commented upon the characteristics of traditional societies. Weber's conception of a traditional society does not violate any of Barth's defining concepts, yet unsurprisingly, Weber tends to focus more upon the characteristics of individual members of traditional societies rather than the macro focus of Barth. For example, Weber has noted that in traditional communities and traditional cultures the most important and distinctive relationship is what is known as 'patriarchal domination,' which is not based on the official's commitment to an impersonal purpose or on obedience to abstract norms but describes a strictly personal loyalty. The roots of such domination grow out of the master's authority over his household, and find their support in their subjects' compliance with norms. (Weber, 1964, p. 1006) Similar to Weber's theoretical constructs describing economic enterprises, Weber has also noted that those communities which have changed from traditional to more modern organizational structures enjoy a different type of loyalty that can be called semi-bureaucratic or

bureaucratic. Under such type of domination or loyalty, the norms are established rationally and are more or less legal bonds of association and presuppose technical training rather than from tradition or the belief of inviolability of something that has existed from time out of mind. (Weber, 1964, p 1006)

It is important to note that in a traditional society, 'norms' do not connote the meaning they do in a more modern bureaucratic society. In the latter, they are frequently enacted by formal process, and often legally establish (and legitimise) the person who is in power, and has been awarded by process with the authority to issue specific rulings. In the former however, there are no formal procedures which enable the legitimacy of the ruler to be questioned or challenged, and the subjection of all members of the society to the rule-making authority of the person in power through norms and processes is based upon custom and is legitimised by tradition. The authority of such person takes the uppermost hand in the minds of his subjects and he exercises such authority without restraint and at his own discretion, unobstructed by rules insofar as it is not limited by traditions or competitions. We may think of such societies as not only traditional, but also patriarchal in character and form.

In traditional/patriarchal societies, the basis of authority is the willingness of the members of the society to accept the decisions of the ruler without hesitation or appeal based upon the concept of royalty, or the divine right of specific families to govern specific groups. A variation of this form of traditional governance is found where social honour and prestige within the group extends beyond a specific family, and becomes the basis of societal hierarchy on a wider scale. This structural alignment is called 'honorotiones' domination. It differs from patriarchal

authority in the sense that it lacks the specific personal loyalty that is usually motivated by members in a household or a manorial patrimonial group. (Weber, 1964, p1009)

The most traditional forms of patriarchal domination have no legal limits, and are rigidly hereditary, i.e. transformed from one to a successor through death, senility which may forces tribal elders to intervene, or episodic downfall for a specific reason, and are enabled and made possible through an ad hoc process. In the patrimonial form, it is generally the case that the dependency relationship continues to be based on loyalty and fidelity. However, such a relationship always evolves into a system which enables a claim to reciprocity on the part of the members of the society (e.g. Al-Majlis) which ultimately acquires social recognition as custom.

Over time, traditional rulers enter a form of social contract with the members of the society. This occurs not through legal or bureaucratic processes, but on the basis of custom and the very practical assessment of self-interests by the ruler, such as regime protection and help when needed. Therefore, under a form of domination that is not directed towards material acquisition but rather towards satisfaction of the master's wants, the exploitation factor may be reduced by the practical requirements of the ruler to protect the regime's interests within the society. Eventually the security and maintenance of the regime become dependent upon the attitudes and morale of the members of the society in the aggregate.

In patrimonial communities, custom prescribes that the subjects should support the ruler with all available means, which in practical terms means that this required support is virtually without limit. Politically speaking, the patrimonial

condition has always occasioned a prominent if not dominant effect upon the political structure of the community. Administratively, however, patrimonialism is an adaptation that satisfied the purely personal, primarily private, household needs of the ruler. A ruler may exercise political or administrative domination over other sub-masters of his locality. The substance of his political power depends on the most diverse conditions. However, the military and judicial powers of the master are exercised without any formal restraint. However, history acknowledges that when the political authority of a patrimonial master rests wholly or even predominantly upon military power, the regime will eventually collapse and a state of instability arise. (Weber, 1964, p 1013) In political terms, a patrimonial leader will continue to hold power so long as the consensus of the members of the specific community continue to find greater value in traditional governance than in alternate modern bureaucratic forms.

In addition to Barth and Weber, Rao has also provided very insightful analysis of the characteristics of a traditional society. According to Rao, traditional communities are characterised by patriarchal and patrimonial domination irrespective of their economic standing. They are governed by habits, customs, attitudes, and ways of life that become embodied in institutions, and resist change. For Rao, traditionalism means the maintenance and of such traits within societies, and the persistence of the accompanying value structure that holds these traits in high esteem by the community's members. (Shah and Rao, 1961, p 60)

Rao also believes that as societies progress through time, greater equality and social responsibility tend to occur contemporaneously with progress in associated political, economic and social spheres. The process of societal change however

tends to be accompanied by and indeed occasions outbreaks of conflict that try to hold the society back and hinder its progress. It is for this reason that, in his view, the Hindu theory of 'avatars' exists, e.g. to reinforce the belief that the Divine Being appears in human form from time-to-time to re-expound the moral law and to restore its recognition in human society. (Shah and Rao, 1961, p 61-62)

As the societies which geographically neighbour the specific traditional society experience and respond to the forces of modernisation, i.e. actions of functional division, task rationalisation, and the inevitable delegation of power, etc., which accompany task rationalisation and specialisation, patrimonial systems may respond by developing certain features of bureaucratic organisations. However, tradition is a powerful force for the 'status quo ante,' and the full separation of the private from the official will not easily or quickly occur. Weber suggests that these initial forms of bureaucratic structure arise from the competing economic interests of the various patrimonial officials, who within confined realms of activity may enjoy roughly equivalent powers of the ruler. These power relationships arose either through a practice enabled by obligatory and sacred tradition and, perhaps definite individual rights, or by one in which the ruler's personal discretion prevails. And, as Rao has reminded us, this process may proceed in irregular patterns, and is very unlikely to experience a linear progression towards modernity. Indeed, over time this process of countless 'social actions' may lead to conflict between and amongst the officials of the traditional society concerned, and possibly conflict between the traditional society and the neighbouring society (which is more enthusiastically embracing modernisation) as

well. Any sense that modern practices could or would also delimit or diminish the ruler's orders or preferences is a potentially serious disruption to the social order.

In sum, in contrast to rule-oriented bureaucracy, patrimonial organisations, and specifically patriarchal officials, derive their positions from the essentially personal submission of the members of the specific society to their ruler. All the rights and privileges of societal members (in the extreme case the master's subjects) derive from the specific grants of the ruler or from his favours. Hence, an official is bound to serve his ruler in order to secure his own position and authority within the society. On the other hand, the ruler also endeavours to safeguard his regime and his personal dominating position within the regime as well, from disintegration. This imperative may require him to travel around in the provinces and insist upon personal guarantees of loyalty from officials who are not at short reach, including in several historical instances the demand for hostages. Marriages of convenience were also a well-known tactic to guarantee the longevity of a regime. Another tactic, which was practised, was the separation of territories, essentially splitting them one from the other. History, including Islamic history, includes many instances of these tactics and others, which situationally achieved varying levels of success.

1.7 Modernisation and Globalisation

The transition of a society as described above from traditionalism to modernity and industrialisation (or scientification so to speak) has historically been a long process. However, there is often a stage or a point in the process where a revolutionary phenomenon occurs that abruptly accelerates the

evolutionary process. There is of course a price paid for this transition and it embodies itself first in what has been called 'culture shock,' thus inviting a lot of resistance from some, and passive acceptance by others.

Once a society moves from traditional and primitive means of survival into the process or stage of industrialisation, a significant increase in productivity becomes the dominating quality of the newly emerging society. The per capita income/revenue rises, and the society's living standards rise with it. Many other patterns must accompany the change in order to sustain its continuity. For example, as a society modernises industrially, agriculture often does not remain the society's focus as a source of life, and indeed more agricultural production is possible through mechanised means.

As new technologies emerge in a society, attitudes also change. Dissatisfaction with the methodologies of the past, and acceptance - often an uninformed acceptance and celebration - of the new emerges. Austerity is equated with poverty, and thus loses a degree of its veneration, when compared with the visible process and prospect of greater productivity and easier living.

It is also inevitable for a rational and a scientific perspective towards the new economic reality to emerge if the whole community is to progress economically. Scientific rationalisation often becomes dominant over superstitions belief, and modern initiatives outweigh reliance on traditional orders of submissiveness. Moreover, literacy starts to spread. Because it would be very difficult to foster the new necessary skills and knowledge without making significant investment in human capital, literacy advances in step with modernisation.

Indeed, according to Shah (1961), the human factor plays a significant role in the process of economic growth. However, the human factor is the factor most influenced by tradition. As changes to the environment, educational and other socially important institutions, and finally core societal values are challenged, tradition qua tradition loses its social authority. Changes in occupational patterns, increases in urbanisation, the creation of industrial psychology (including rationally-based workplace discipline), the desire for a higher standard of living, an increase in the savings/investment habits and practices, the development of a rational and scientific approach to production, the linking up of more income with more work, the emergence of cadres of technicians, managers, entrepreneurs, and most importantly the emergence of a government that is actively interested and involved in economic growth and takes concrete measures in the fulfillment of this purpose. In such a scenario, traditional values are challenged repeatedly, and with increasing success. (Shah and Rao, 1961, p 77)

Societies engaged in technologically-driven epochal change also increase their inter-societal transactions. Indeed, the comparative isolation of the traditional societies of the Arab Gulf during the early decades of the twentieth century simply no longer obtains. The phenomenon of globalisation - the development of a world-wide social system in which all other social systems interact with increasing ease and technological congruency - is everywhere apparent as the twentieth century closes. Yet, there remains significant debate concerning the specific implications of the globalisation phenomena, just as there is little debate that its reality is factually and technologically undeniable.

For purposes of this thesis, the implication of globalisation of greatest specific interest is the theoretical assertion that the norms and values of Western culture and Western organisation will over time displace the traditional culture and values of non-Western societies. Specifically, the implications of the communications-information revolution for traditional non-western societies is a fundamental globalisation question.

1.8 Organisational Response to Globalisation

Although the classical approach is still much in evidence today, information technology, global competition and concern for total quality have produced a significant impact on organisation theory and structure. New theories have emerged to meet the contemporary situation. In general, the modern approach to organisation theory centers on the notion of situational particularity, and recognises the interaction of technology and people. Duncan (1979) noted that:

"Organisation structure is more than boxes on chart; it is a pattern of interaction and co-ordination that link the technology, tasks, and human components of the organisation to ensure that the organisation accomplishes its purposes:" (p 59)

The Japanese Model

As previously mentioned, Japan's organisational patterns and organisational behaviour reflect its non-Western culture, yet Western societies and Eastern societies alike are impressed with its apparent organisational success. Gidden

(1997) noted that Japan's economic success is frequently perceived to stem from the distinctive characteristics of large Japanese corporations, characteristics which differ substantially from most organisations in the West. Gidden also argued that the organisational behaviours of Japanese companies is different from the characteristics of the ideal Weberian organisational model in important ways. He summarised these differences as:

"   -   *Bottom-up decision making*

-    *Less specialisation*

-    *Job security*

-    *Group-oriented production rather than individually-oriented*

-    *Merging of work and private lives. i.e. high level of loyalty to the firm*"

(Gidden, 1997, p 293-295)

The Japanese system contributed to paving the way for theoretical novelties to influence the development of theory during the last 10-20 years. The Japanese model gives more attention to the development of high skills. It gives careful attention to human resources from initial recruitment all the way through retirement. It also encourages a degree of effective collaboration between the boss-subordinate relationship. As Alan Binder, Professor of Economics wrote:

"Japanese companies train their employees, guarantee job security, and offer career paths that blossom if the company flourishes. . . Japanese

CEOs are rarely dictators; many top companies are run by consensus.

Work is organised by teams from the executive suite to the factory floor. . .

Consultation between labour and management is a pervasive. Japanese

workers co-operate with management because their welfare is tied up with

the Company." (Business Week, Nov. 11, 1991, p 22)

Japanese companies had successfully become globalised, and an example is

Matsushita which produces consumer goods. Pascale and Athos (1981) argued

that the factors that have contributed to Matsushita's growth and current position

as a leading enterprise shed a great deal on the art of Japanese management in

action. They argued that: "Matsushita is not especially noteworthy for its

consensus decision making and button up communication, but the use of

managerial tools which are invented." (p 38-39)

A Transnational Future

It is widely asserted in business circles that the twentieth century is the century

of international business and that this globalisation trend will accelerate in the

twenty-first. The international oil and gas firms are expected to play an

increasingly dominant role in international economic relationships, culture and

values of the host countries.

Before we continue further, a definition of international firms may give some

light to the reader of what type of firms we are talking about:

"A firm which conducts operations on an international basis, similar

operations being conducted in several countries or operations at different

stages of the same industry in different countries, or both, such firms are

integrated across national boundaries, horizontally or vertically, or both."

(Directory of Economic Terms, 1977, p 151)

Decision making within transnational companies tends to be centralised as argued by Wells (1972), and others. While management structures vary from company to company, policy control often emanates from the parent company when the international aspects of a firm's business become important. Penrose argued that the administration of large transnational firms is bureaucratic in character:

"The large firm is a self-governing bureaucracy operating in accordance

with a loosely defined code of business ethics. . . Board of Directors,

assisted by 'high level' committees, are responsible for the general

structure of the organisation, lay down general lines of policy and provide

for financial discipline and the appointment of senior executives. . . The

large firms have spread over a wide variety of activities and have a large

number of shareholders, but are effectively controlled by management.

Accountable in principle and in law to share holders, they are in fact

autonomous bureaucracies." (Penrose, 1969, p 28)

However, as we move inevitably towards the 21st century and the information age, many companies have begun to downsize, merge and establish situationally-specific subsidiaries and joint ventures in order to flexibly position themselves for a market situation in which capital and credit is scarce, expensive or both. Certain

of the organisations are actively embracing advanced information technology to include increased automation, artificial intelligence and robotics.

"The global company which has been most radically decentralised in a short period of time is Asea Brown Boveri one of the largest engineering firms in the world. . . Its chairman, Percy Barenik, says, we grow all the time, but we also shrink all the time. The company has laid off many of its staff in the process."
(Gidden, 1997, p 299)

1.9 The Information Age

Within the past ten years there have been dramatic changes in information technology (Landler, Business Week, July 12, 1993, p 109-119). These changes have ranged from new products such as:

"cellular planes that allow managers to stay in touch with their field personnel, to computers that can handle inventory control and help employees communicate with each other via electronic mail, to compact disks that are able to store and retrieve billions of pieces of information." (M. Alpent, *the next PC revolution*, Fortune, June 29, 1992, p 68-73)

This information technology has had a dramatic impact on overall organisational structure and has frequently resulted in the re-engineering of organisational processes, and the re-design of individual jobs. Electronic mail, or e-mail, affects both organisational design and the processes by which individual employees carry

out their assigned tasks. E-mail has often led to downsizing, by allowing everyone to communicate directly with everyone else, thus eliminating the need for levels of bureaucracy and a long chain-of-command. Furthermore e-mail completely eliminated the need for messengers. Business Weekly, in a special issue (1993, p 12), reported that many operating and middle management positions were eliminated as a result of the information technology. It reported that in the five years period 1987-1992, companies with 500 or more employees recorded a net loss of 2.3 million jobs.

Other effects of the information revolution is apparent in the way business is conducted today, e.g. the direct electronic communication between the manufacturer, supplier and customer by the computer. The introduction of 'neural networks' which effectively substitute for human decision-making in a wide variety of areas, especially with respect to financial institutions is revolutionary. However, revolutionary technology may or may not result in sweeping change to the relevant theories of social change, bureaucratic organisation, or indeed to traditional society.

Jonathan Gans suggests that the information age may not produce epochal change. In his recent Internet article (10/96), he argues that since the time when Max Weber wrote about capitalism in the industrial age, many of his theories still hold true in today's information age. In fact, he argued, Weber's concept of rationalisation drove society into the information age. He added that technology is just one tool in our arsenal to better society and a globalisation solution to future problems.

1.10 Summary and Comment

To conclude this chapter on traditional cultures versus modernisation, the author would point out that the institutions and organisations of any society certainly reflect the culture of that society and the dominant values of that culture which according to John Stewart, "is the collective programming of the mind which distinguishes the members of one group or society from those of another." It consists of the patterns of thinking that parents transfer to their children, teachers to their students, friends to their friends, leaders to their followers, and followers to their leaders. It is reflected in the meanings of people attach to various aspects of life; their way of looking at the world and their role in it; in their values, that is, in what they consider as 'good' and as 'evil'; in their collective beliefs, what they consider as 'true' or 'false'; in their artistic expressions, what they consider as 'beautiful' and as 'ugly.' Culture, although resident in people's minds, becomes crystallised in the institutions and tangible products of a society, which reinforce the mental programmes in their turn. Management within a society often coordinates the actions of people without a deep understanding of their values, beliefs, and expressions. (J. Stewart, 1984, p 82)

Those who have studied and written about societal change and transformation have added greatly to our appreciation of this process generally, and have also specifically increased our understanding of the important role of technology as an agent or catalyst for change towards the end of the twentieth century. Weber and others have acquainted us with traditional, authoritarian patriarchal/patrimonial societies to modern, highly structured societies. We have gained a good familiarity with the scope and process of change, or social action as Weber labels

it, within the transition process and fully appreciate the factors that advance, retard and otherwise affect that change.

Because of the contribution of Barth and once again Weber, we have a solid understanding of the dynamics of traditionalism, and fully appreciate the human emotions, and often enough spiritual attachments, that are present in the interpersonal relationships between rulers and ruled in such societies. We understand that the ruling classes within such societies often view change as a threat not only to a way of life, but also in a very personal dimension, as a threat to the continuation of a system that affords privilege and wealth to the ruling class. Yet, we also understand that social change and modernisation are inexorable forces, and in the final analysis traditional societies are unable to avoid modernisation.

Because this thesis examines the wrenching social upheaval in the Arabian Gulf following the introduction of the modern oil extraction organisation, it will add to the body of knowledge and literature concerning this specific issue. Modern oil companies are decidedly Western in process and organisational culture. From the literature reviewed in the preceding pages, we would expect that the societal adjustments to the insertion of an oil industry into a traditional society would be characterised by continuous friction, and perhaps episodically by great friction and social unrest. Armed with this theoretical basis for further inquiry and analysis, this thesis will examine the social implications of the modern oil industry as an engine of change within the United Arab Emirates.

The Public Relations Professional of the Oil Industry:

A Cultural Entrepreneur

2. Introduction

In Chapter One, the author introduced Max Weber's notion of a 'social action.' Weber's sense of societal structure, while perhaps overdrawn in the context of twentieth century global social interaction, nonetheless includes important concepts that help explain the traditional societies of the Arabian Gulf in the period prior to the 1970s. Particularly Weber's conceptualization of 'validity,' a harmonious state achieved by individuals when their societal interaction is in consonance with existing societal norms, helps us to understand the strength of custom and tradition in less developed societies. Weber's even stronger concept of 'legitimacy,' suggests that environmental factors can and do act as a binding constraint upon the behaviour of individuals. However, Weber viewed the environment as itself comparatively static. While he certainly acknowledged change and indeed dissonance within societies, he viewed this change as occurring with glacier-like inexorability. In short, Weberian theory does not by itself satisfactorily explain the responses to tumultuous change likely to occur within a given society. We may infer from Weberian theory that the societal behaviour of individuals, i.e. the combination of the multiple respective 'social actions' of individuals and groups within a society experiencing tumultuous change, might not impact societal patterns of behaviour in predictable ways. Indeed, tumultuous

change might well threaten existing patterns of Weberian 'validity' and 'legitimacy.' Weber's insights seem not to include patterns of tumultuous societal change. How might societies adapt to great change? What methodology might assist societies in great social transition function without Weberian 'order?'

In Strategic Management, Publics, and Issues, by Grunig and Repper (1992), the authors discuss at some length the concept of 'publics.' Modern public relations theory identifies the social environment surrounding the industry, in our specific case the oil industry, as identifiable groups of publics. Grunig and Repper suggest that four kinds of publics constitute the social environment; All-Issue Publics, Apathetic Publics, Single-Issue Publics and Hot Issue Publics. Further, they suggest that public relations managers - the individuals within the modern organisation with the greatest strategic responsibility for managing the relationship of industrial organisation within its environment - need to initiate "communication to involve publics in the decision process of the organization. . . to manage conflict," and thus prevent the creation of 'issues.' The authors go on to note that "Public relations should evaluate the effectiveness of programmes. . . in reducing the conflict produced by the problems and issues. . ." Clearly, the modern concept of the environment surrounding 'social actions' is both more dynamic and more manageable than Weber envisioned.

It is interesting to consider the notion of 'publics,' as it might apply to the traditional social setting of the United Arab Emirates when the Westernized oil industry began to function. Is it helpful to truncate the environment existing at that time as consisting of All-Issue Publics, Apathetic Publics, etc.? Importantly, did the public relations function of the oil industry undertake to manage the

environment within the UAE in accordance with a strategic theory, or did that function muddle through without the benefit of strategic planning?

2.1 Organization Theory: Limitations to the Weberian Approach

As reviewed in greater depth in Chapter One, Weber and other early organizational theorists understood society and the role of the organisation within society in terms of the early industrial age. Many industrial organisations of Weber's period were comparatively small, not representative at all of a globally organised and financed oil and gas conglomerate. Such organisations were thought, by Weber and his colleagues, to be explained most effectively in their formal sense - a societal unit defined by its mission and directed exclusively towards mission attainment. The human dimension of the societal unit was not considered, and was not identified as a primary focus of organizational development research until the middle of the 20th century. Mission attainment, in almost military terms or at least indicative of military thinking, was best achieved by organising the resources necessary to mission attainment. Indeed Weber might argue that this was the function of the organizational structure - its reason to be. And, up to and generally including early 20th century colleagues/scholars such as Taylor, the scholarly research of the industrial organisation dealt primarily with the organization's effectiveness in terms of method, time and motion activity. Effective organisations were those which achieved the greatest output most efficiently, with the fewest resources expended.

Weber's understanding of the industrial organisation, while both profound and elegant, is often described today as the early rational school. In Weberian terms,

organizations existed only and simply for the purpose of the production of goods and/or services. Taylor (1911) developed Weber's notion of rationality to a higher plane, and through his very influential literature of the early and mid 20th century, created the concept of the organizational efficiency expert. These individuals were known in some quarters as 'Taylorists,' and their function was to study organisations and to align the resources (physical plant, machinery and equipment, and employees) scientifically, and in the optimum manner to reduce waste and to improve production. The theories of Taylor included the Weberian notion of rational classification of employees by criteria and specialization, but suggested that specific scientific criteria should replace the more normative, explanatory qualification guides of Weber's time. As discussed earlier, Taylor began his analytical examination of the workplace from the presumption that all employee tasks could be described, measured, and improved in terms of efficiency. The worker, was thought by some of Taylor's more influential critics to be de-humanized by this analytical process.

Indeed, by the late 20th century, the term 'Taylorism' was described by then prominent organisation development scholars with disdain. However, we should note that Taylor's research, as Weber's, has contributed greatly to our understanding of the functionality of organizations, and Taylor's influence is very evident in many of the late 20th century efforts to achieve greater focus on the part of the organizational staff such as 'Management by Objective' and 'Quality Management.'

The rational conceptualization of the organization by Weber, and the scientific contribution to work-centre, and ultimately to the organization, by Taylor, are

both building blocks to modern organization theory. Modern theory, unlike the efforts of Weber and Taylor, begins from the presumption that organizations cannot be studied effectively in isolation, they must be conceptualized as a unit functioning within a larger society, futurists would argue within the global society. As will become evident, this globalist preference of the futurists has merit. But to develop further the progression of organizational literature let us review briefly the major criticisms of organisation theory as this discipline has developed in recent years.

Without question, our concepts of organizational structure, and particularly interactions, has benefited enormously from review of the early models and assumptions of Weber and Taylor. Subsequent research and publication activity by a variety of social scientists and organizational theorists has introduced a number of fresh concepts of organizational activity which broadens our understanding. Several of the more prominent critiques of the classical and scientific approach are reviewed below.

Perhaps as a result of greater insight and more penetrating research, but certainly aided by the reality of the increasing complexity of both private and public institutions and organizations throughout the latter half of the 20th century, L. Grunig (1992) and others have concluded that the assumption that a given organization model is either ideal or indeed even practical should be questioned and further explored. Concluding that the specific structure or form for a given organization can be categorized in accordance with four structural dimensions, Grunig both expands and adds an intellectual sophistication to the earlier models of organization structure. Although Grunig acknowledges the external

environment which surrounds and to a degree embraces the organization, this early 'Administrative' critiques continues to proceed from the notion that organization structure is a function of dynamics found predominantly within the organization. The fundamental addition to organizational perspective offered by this critique is the concept of the situational organization. For example, this theory notes that organisations differ with respect to decision making authority. The extent to which decision making authority is or is not concentrated in the upper reaches of the organization's hierarchy is certainly not uniform, and may respond to the situation in which the organization finds itself. Organizations are also stratified in a number of ways. One of the more important stratification characteristics is the manner and method in and by which rewards are distributed within a given organisation. (Note: Within the modern industrial organization we might note the differences between different industries and individual firms within those industries concerning executive and employee 'incentive' packages - e.g. which positions are thought significantly contributive to the organizational achievements of the larger enterprise to warrant a piece of the organizational pie, e.g. stock options.) The formality of a given organization is also an important administrative characteristic. Both Weber (1947) and Taylor (1911), for different reasons, believed that the ideal organization would be hierarchical, and even elegantly hierarchical. Weber's rational organization, and Taylor's scientific one share the notion that policies, rules and procedures within the organization would be uniformly based upon the mission or the organization, would be reasonable and based upon formal or scientific logic, and would permeate the organization's culture in a uniform way. Grunig notes that organizational cultures differ with

respect to formality. University faculty groups emphasise collegiality, many western governmental organizations emphasise comity and principled courtesy, research-oriented organizations frequently emphasise intellectual freedom. Similarly, mature manufacturing industries, military formations, and highly structured public/private industries such as utilities, transportation, public health, education, etc. often emphasise to a greater degree than any of the previous examples the sort of greater adherence to formal rules and procedures Weber and Taylor hypothesized for the general case. Also, and most importantly, the complexity of a given organization, i.e. the number of specialties, particularly highly-trained specialties and the sophistication of its training programme can present different structural imperatives for organizational decision makers. Indeed, it was precisely this situation described by John Kenneth Galbraith (1960) in the mid 1960s. In his seminal work The New Industrial State, that Galbraith noted that it was frequently and (then) increasingly the case that mid-level managers did not possess an equivalent level of job-related skills as did organizationally lower-level employees. As U.S. President Reagan proved in the early 1980s, supervisors can often exercise sophisticated job skills for a time, as occurred during the Air Traffic Control strike in the United States at the time. To debate concerning this ability emphasizes Galbraith's point - such skills can no longer be taken for granted in an organizational environment which increasingly emphasizes technological sophistication. In any case, Grunig's notion that complexity is an important and acknowledged variable in modern organization structure decisions is without question the case.

In sum, the administrative critique of organizational theory helps to explain

the diversity of organizational types and preferences in the modern industrial world. Grunig's categories are in and of themselves debatable, other categories could have been chosen and defined which would similarly make the important critique that the structure and character of ideal organisations is dependent on *in situ* analysis. A general theory of organizational structure must acknowledge this diversity. Before leaving the administrative critique for other important critiques of the classical theory of Weber, let us note that modern western oil industry tends to emphasise central decision making, including both human relations policies and public relations policies. Rewards within the organization do however penetrate to employee/worker levels - particularly high levels of production are acknowledged with bonuses, awards, time off, etc. The oil industry, characterized as it is by high levels of investment, capital infrastructure, and close association with national governments, tend to be relatively formal organizations when compared with other Western-oriented industrial activity. However, and importantly, these organizations should be viewed as relatively informal when compared with other organizations of a traditional society such as the United Arab Emirates. And lastly, the introduction of the Western oil industry in the United Arab Emirates and the Arabian Gulf represented the introduction of a very highly complex organization when compared with all other organizations found within that society at that time. Indeed, the energy industry is among the more complex institutions of the more modern societies in which it operates. We shall next discuss the important critique of classical organization theory presented by social relations theory.

The Tayloristic notion that the human capital of organizations can be tuned for

maximum or optimum output neglects the reality that unlike machines, the human

resources of any organization react to and interact with an infinite number of

stimuli. In short, human resources are a product of the social environment both

within and without the organization. Indeed, in a famous critique of Taylorism by

Douglas McGregor (1960), The Human Side of Enterprise, McGregor suggests

that the theory of Taylor and his colleagues should be labelled as Theory X, and

that a more comprehensive theory, McGregor's Theory Y, better describes the

modern industrial organization. Theory Y does not deal either extensively or

directly with the environment external to the organization, but rather postulates

and subsequently proves convincingly, that the formal organisation is only one of

several forces which guide the practices of employees within the modern

industrial work-centre environment. Theory Y goes on to note that the relative

strength of the informal organisation will vary based upon a variety of factors, but

will always be significant to the organization's success.

The implications of Theory Y are clear. Organizations will pursue the goals of

formal management structure more effectively if these goals are also the goals of

the informal organisation and the employees themselves. The most effective

management strategies will be those which acknowledge the informal

organization, and specifically include that informal organization within the formal

organization's agenda setting activity. An important component of the theories

addressing informal organization concepts which scholars such as McGregor have

constructed is the important observation that members of the industrial

organization are also members of many other social units, a reality with many

implications never addressed by either Weber or Taylor. But as we will recall

from earlier paragraphs which addressed Weber's theories, these social units, e.g. family, tribe, ethnicity, regional affiliation, religious affiliation, etc., may exert significant influence over the behaviour and organizational loyalty of its members. It is apparent that it may well be a very difficult management task to fully incorporate human resources within the formal organization's agenda. This reality tends to drive the implications of human resources to an even higher plane with respect to their significance to organizational success. As noted by Gulati:

". . . what is required is that the social sentiments and activities of groups be regarded not as hurdles to surmount, but as an integral part of the objective of which the organisation is working. . ." (Whitehead 1936, p 85)

In other words, the social reality of an industrial organization's members (i.e. employees) should define the organization's objective. This concept seems at first acquaintance to turn the notions of Weber and Taylor on their head. Is it possible to define the goals and objectives of a modern industrial organization as a function of the sentiments, non-organizational activities, and the societal norms and values of the employees? Is it possible not to so define an organization in this way?

As we have learned since the 1960s, the period when such social relations theories of organizational management were most influential, both the formal organization and the informal organization have an important role in organizational effectiveness, and each holds great influence in every social unit to include the industrial organization. The relative significance of each depends upon
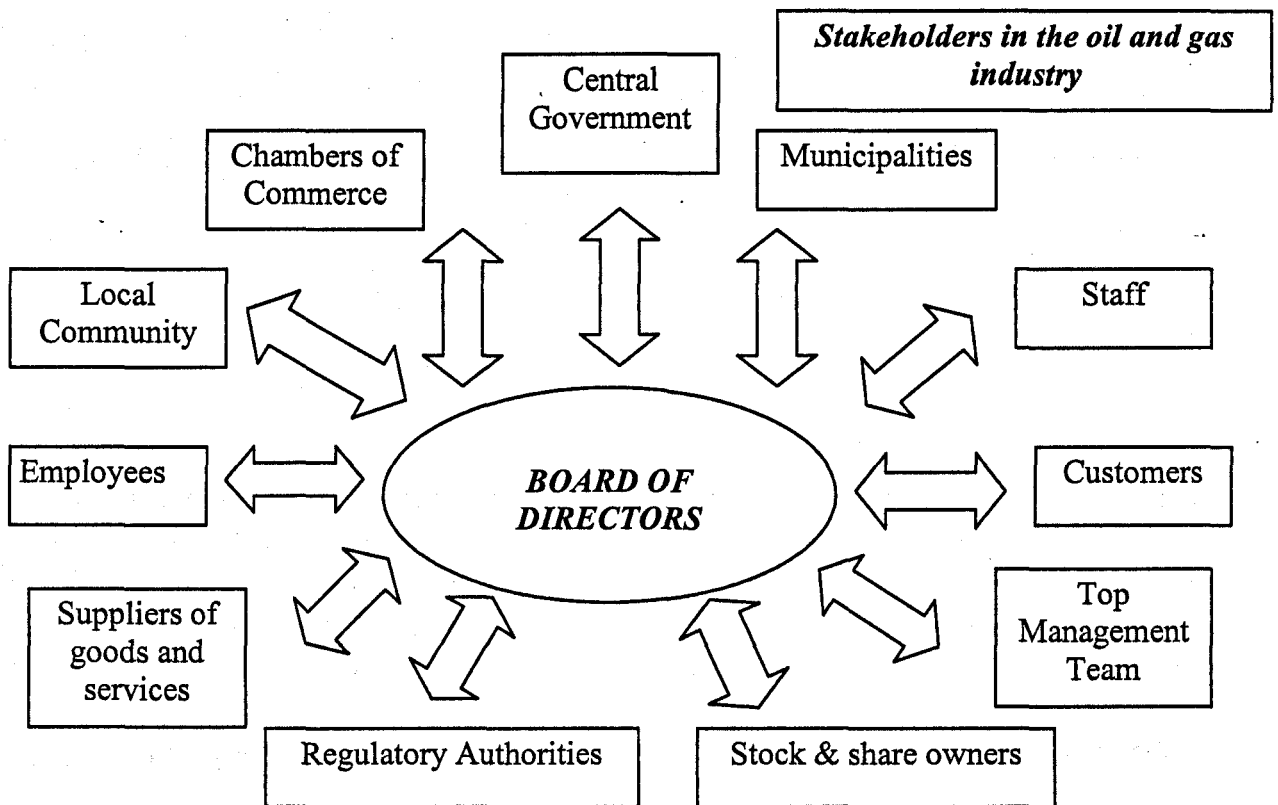
a variety of factors which include the geographical and social industrial setting, the homogeneity of workers, the homogeneity of the goods or services produced by the industry, the characteristics and norms of the large industry, the degree of mechanization, and others. In sum, the relative significance of formal and informal organizations, and the pattern of relationships which spring from the interstices and particularly the interactions of the formal and informal organizational can be thought of as both definitional and situational. More simply stated, each organizational environment must be assessed in context. We may find it advantageous to think of the sum of the formal and informal forces, and the norms which derive from the interaction of those forces impinging upon a particular institution over time as that institution's structure.

The social relation's theoretical critique is an important addition to our understanding of industrial organizations, and the interplay of social forces within organisations as these forces affect organizational performance. This critique does not materially add to our understanding of the interplay of forces between an organization and its external environment. Even with this limitation, it is interesting to consider the insertion of a modern oil and gas industrial organization within the traditional culture of the United Arab Emirates.

Many of the more senior members of the organization would undoubtedly be full citizens of the UAE, and thus products of the traditional culture of the UAE. Mitigating this reality somewhat is the probability that many of the UAE citizens chosen for this role would very likely have received some formal education outside the country, and in so doing gained greater understanding of modern

industrial cultures, and through this greater understanding an improved ability to adapt. However, complicating this situation is the unique reality of the UAE with regard to expatriate labour - the UAE has the distinction of accepting the highest percentage of expatriate labour within its labour force throughout the world, a condition that obtains fully in the national oil and gas industry. In aggregate, we may consider the very large number and variety of formal and informal organizations/social units co-existing within the UAE oil and gas industry, and may suggest that the resulting organization may be among the more socially complex in the world. Indeed, the rich interactions which result from and occur within this organizational stew are very, very complex even before considering either social factors external to the organisation and/or the new communications capabilities of the information age, both of which can be expected to add further to this complexity. We shall next consider the greater understanding of organizational dynamics provided by the 'open systems' theories. Ultimately, the primary responsibility of all management and staff working for oil and gas companies is to contribute to the achievement of vision. This vision is set by the 'Board of Directors' Chaired by a Government minister but it is influenced by an amalgam of stakeholders who all have their own agenda and objectives for the organization. This is illustrated in the following diagram:

Stakeholders in the oil and gas industry

```
                        Central
                      Government        Stakeholders in the oil and gas
   Chambers of                                    industry
    Commerce                          Municipalities

Local                                                        Staff
Community

Employees              BOARD OF                          Customers
                       DIRECTORS

Suppliers of                                              Top
goods and                                                 Management
services                                                  Team

         Regulatory Authorities    Stock & share owners
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2.2 The Organization and its Environment

As mentioned in the opening paragraphs of this chapter, perhaps the most serious limitation to the theories of Weber (1947) and Taylor (1911), is their analytic framework of the organization in isolation - their theories suggest that the structure and function of an organisation can and should be studied in isolation, *ceteris paribus,* or holding all else constant, as the economists like to say. While this micro-perspective may in fact reveal important relationships about certain work-centres or small business units within organizations, open systems theories have convincingly suggested that a wider frame of reference is necessary to explain the

social dynamics of particularly large organizations. Systems theorists note that:

"We see organizations both as systems of internal relationships and as part of a larger system encompassing the environment in which they operate. The environment sets conditions that help shape the organisation even as the organisation shapes and influences its environment." (Nohvia and Gulati, p 537)

This more sweeping notion suggests that the organisation structure of any organization, particularly we should note the structure of the informal organization, can be explained in part by external participants and indeed by the external social units and cultures. This inter-relationship between the organization and its external environment is the focus of the activity that public relations functions within organizations undertake, or should undertake. As such, a full understanding of this systems perspective is necessary to fully explicate and assess the effectiveness of the public relations activities of the oil industry within the UAE. Two basic schools within the scholarly literature which address 'Open Systems Theories' will be discussed. For convenience these schools are labeled the 'Natural Selection Models' and the 'Resource Dependency School.

Natural Selection Models

If the classical theories of organizations do not sufficiently consider or address the external environment, and the role of the environment plays in determining the structure and culture within organisations, the natural selection models certainly make up for this deficiency. These models, in a Darwinian sense, discuss the relative ability of organizations to adapt to external conditions as the determinant

of organizational survival. Weber, who is noted most for his observation that particularly bureaucratic organizations ensure their own survival, would be skeptical that externalities could become so important and indeed deterministic. Nonetheless, the natural selection theorists make an important contribution to the literature and to our understanding of particularly new organizations that must adapt to an external environment that challenges and judges its fundamental value to the larger society. In this sense, natural selection theorists may be viewed as theoretically in agreement with the work of political scientist Lucien Pye (1972) who noted that new political (and presumably bureaucratic) organizations must confront and survive a number of 'crises' to achieve maturity and to gain widespread 'legitimacy' among political stakeholders. One notes that Pye shares with Weber this notion of 'legitimacy' as an important measure of maturity and social normalization. In any case, the natural selection concept of a very powerful and decisive external environment is best explained by reference to the thoughts of Pfeffer and Salancik (1978). They believe the process by which the external environment comes to affect the social structure within organizations is as follows:

- The environment provides many of the constraints, uncertainties, and contingencies (an organization confronts) because of the necessity for transacting with the environment

- These contingencies affect the distribution of power and influence within organizations, providing some sub-units with more power and others with less.

- Power is used in determining organizational social structures,

particularly to the extent that there is uncertainty and the decisions concern critical issues.

This emphasis on survival and power, almost Machiavellian in its implications, suggests that the natural selection theorists view organizational dynamics and organizational decision making in complete isolation from the traditional Taylorist notions of production, efficiency, profitability, and so forth. This all-encompassing theoretical view of the power and influence of the organization's external environment, while an important critique of the classical school, is less than successful in explaining organizational dynamics in a general sense.

As already discussed, the external environment is more or less daunting depending upon the relative maturity and size of the organization. It would certainly be the case that the external environment would gain in influence to the degree that the organisation itself lacked the influence, power or resources to itself control the external environment. Thus, in a zero-sum sense, the sum of the organization's transactions with its external environment result in the net award of power and influence to either the organization or the environment. Large mature organizations, such as the natural resource industries of Latin America, or the oil and gas industries of the Arabian peninsula, probably influence the external environment more than the environment influences these industries. Also, the diversity of the interface between relatively large and mature industries and the environment that surrounds them in much more complex than suggested by the work of Pfeffer and Salancik.

Modern organizations devote substantial resources to create and sustain a

friendly environment. The very concept of strategic management (and the four publics discussed by Grunig and Repper) supports fully the notion that the modern organization is well aware of the environment in which it exists and functions. Many organizations, with of course varying techniques, levels of resources and ultimately varying levels of success, expand the organizations time, money and talent when necessary to 'capture' the environment. The Japanese models of Quality Management and Cellular (team) Working, where the organization actually attempts to substitute for family, community, and government and in a sense seeks to become one with the environment, is perhaps the most extreme example of a capture strategy. As will be discussed in more detail, many modern organizations in varying ways assign the task of managing the external environment to internal or external public relations activities.

Resource Dependency School

An important addition to our investigation of the systems orientation of organizational dynamics is provided by the perspective of resources, or more specifically the dependency of the organisation upon the resources that it must acquire from outside the organization. All organizations are dependent upon external resources, and this dependency can be an important factor in organizational decision making. The flow of resources is also effectively explained by a systems approach, i.e. input - throughout - output, and for this reason, this school is included within the 'Open Systems Literature.'

The principal, underlying socio-economic reality which drives resource dependency theory is the necessity of organizations to manage, and if possible to reduce, the uncertainty associated with their reliance upon external agencies for

effectiveness. Effectiveness may of course be measured and indeed defined in many ways. Examples include profitability, growth, increased market share, increased return to stockholders/stakeholders, increased political power, etc. Organizations, as we have previously seen, are also unable to eliminate uncertainty within or internal to their structure. But it is axiomatic to this school that the organization's dependency upon external agencies and bodies is both less manageable by organizations, and in many ways more important than the dynamics internal to the organization.

As will be discussed in greater detail below, different types of organizations address these external dependencies in a number of ways. But, it is important to the central theme of this chapter to note that, in the most general sense, the strategy pursued by any organization to manage the uncertainties of the external environment for the purpose of increasing the organization's effectiveness (however defined and measured but customarily, 'effectiveness' is 'doing the right things', whereas 'efficiency' is 'doing things right'), is the organization's 'Public Relations Strategy.' Also in the most general sense, this strategy is sometimes referred to in the literature as the organization's adaptation to changing circumstances within the external environment.

Again, in the most fundamental sense, organizations attempt (either in response to a formal strategy, or simply in an ad hoc manner) to establish and maintain a relationship with the external environment that is supportive of organizational effectiveness. The specific aim or objective of this relationship, i.e. the immediate objective of the strategy, is to limit or manage the dependencies inherent in the relationship to reduce the potential or if possible preclude the

dependency from negatively affecting organizational success. This relationship or adaptation may take one of two general forms.

The first form is sometimes referred to as 'buffering,' and this form should be thought of as the daily, or perhaps hourly, efforts of the organization to adjust to new external realities. Buffering refers to reactive or indeed passive measures undertaken by the organization to adjust to the environment. An example of buffering would be the choice of an oil company to fund, lobby for, or sponsor technical programmes in local colleges and universities in response to the conclusion that new employees from the external environment were seriously deficient in certain skills. Successful organizations engage in buffering activities continuously. Successful buffering requires excellent knowledge of the external environment. In the example above, the successful rectification of the employee skill 'gaps' would require a good working knowledge of the educational system and demographics of the external environment. Buffering is occasionally not sufficiently aggressive - more serious dependencies may require a more pro-active approach. This more aggressive approach is sometimes referred to as 'bridging.'

Bridging activities are those horizontal and/or vertical organizational initiatives undertaken by organizations that have determined that the dependencies present within the external environment are particularly serious ones. Bridging as a term implies that the organization will attempt to exert decision-making authority or controlling influence upon those environmental challenges that represent particularly serious dependencies with respect to organizational success. Bridging can be a very pro-active and aggressive strategy, and in its most extreme sense can be defined as attempts by one organization to assert ownership of

another, to literally capture the decision-making authority of the external party. This suggests that one method of dealing with a significant external dependency is to minimize it.

However, most bridging methodologies are less drastic, and can be described as establishing a formal or informal relationship with an important external agency. For example, in the Arabian Gulf national Chambers of Commerce and Industry are particularly important - these agencies establish policies which significantly impact the manner in which communities and municipalities interact with commercial organizations. National governments consult with these chambers when considering regulatory policies, policies that can seriously impact upon the organizational success of industrial organizations. An important bridging strategy for commercial ventures in the Arabian Gulf would be for industrial organisations to establish a relationship with the appropriate chamber of commerce and industry which permits the commercial venture the opportunity to consult with chamber principals before important policy recommendations are made.

However, not all organizations or even all commercial industrial organizations are equally affected by the policy recommendations of a national chamber of commerce and industry, nor will every organization have the means or equity to afford a dedicated, internal, public relations strategy. The applicable literature suggests that there are four forms of organization, and these four forms will interact with the environment and pursue recognizable different public relations strategies.

Small, relatively simple organizations such as market stall vendors can be

termed as craft organizations. Craft organizations seldom pursue a pro-active bridging strategy. (This may not be true of the more influential of these, i.e. gold and jewellery souks, and is also not true in the collective sense, as witnessed by the significant political activism of the Iranian Bizarri.) In the general case, craft organisations exhibit the traditional adaptive strategy of buffering, using their extensive informal network to maintain awareness of changes in the external environment, and taking internal steps within the craft to optimize their success during and following change.

Mechanical organizations are those which employ a large number of workers, yet do not employ either workers with great skills, or undertake organizational processes which are themselves complex. A typical mechanical organization is a textile industry or a fruit and vegetable industry. Mechanical organisations can be found throughout the world. These industries are generally characterized by a management culture of control, and will often attempt to exert significant influence of control of the external environment through the employment of bridging strategies. Examples of this bridging activity are plentiful, and can be readily witnessed in the communities which surround the fruit and vegetable activities of Central American countries, or the carpet-making activities of South Asia. It is not uncommon in either of these examples for the organisation to exert substantial control over the external environment through very aggressive bridging techniques.

2.3 Public Relations as a Way of Managing the Environment

This section presents a theoretical model of public relations. Public relations deals with the relationships that organizations build and maintain with the public. These relationships occur in and are influenced by political, social, economic, and technological change pressures. "Careful assessment of these ever-changing forces is essential if organizations are to steer a safe, steady course through the increasingly turbulent global environment." (Cultip, Center, Broom, 1994, p 1-3) In fact, to paraphrase Darwin, it is not the powerful organizations that will survive in the new millennium, it is those able to adjust and adapt to a changing world. public relation's essential role is to help organizations adjust and adapt to changes in their environments as they depend upon their environments for many things such as, charters to operate, personnel, funds to operate and grow, freedom to pursue missions, etc.

In other words, the job of public relations is to help organizations adjust and adapt to their environments. Public relations counsellors monitor public opinion, social change, political movements, cultural shifts, technological developments, and even the natural environment. They then interpret these environmental factors and work with management to develop strategic plans of organizational change and responsiveness.

The development of advanced communication systems has made the information easier to obtain. As Frederick Williams noted: "Never before in history have so many people had so much information at their fingertips." (Williams, 1992, p 340) Williams points out that the revolution in communication

is not so much about technology, but rather in the social consequences of the new communication systems.

Public relations must anticipate and monitor these changes in an organization's environment and help interpret them to management. The successful public relations counsellor constantly surveys the environment, always trying to extend vision farther beyond the horizon and trying to increase both the size and resolution of the picture of present and future realities. In essence, such attempts to see clearly and to anticipate are designed to give the organization time to plan, an opportunity to be pro-active rather than simply reactive to environmental changes.

This discussion of changes and their impact on organizations suggests a systems perspective for public relations. The systems perspective applies because mutually dependent relationships are established and maintained between organizations and their publics. In the case of public relations, the set of interacting units includes the organization and the public with which it has or will have relations; they are somehow mutually affected or involved. Unlike physical and biological systems, however, definitions of social systems are not especially dependent on the physical closeness of component parts. Rather, specification of organization-public interactions defines systems. In other words, an organization-public system consists of an organization and the people involved with and affected by the organization. Whereas the organizational component in the system is relatively easy to define, public are abstractions defined by the public relations manager applying the systems approach. In fact, different publics, and therefore a different system boundary, must be defined for each situation or problem.

The 'systems' concept is worthy of some explanation as it is directly relevant to societal change and to ways of looking at organizations. Most situations in organizations are related to other components and other people. The two basic methods of changing are either the *reductionist* method which assumes that everything is 'reduced' down to it smallest component, and the *holistic* method which encourages the use of thinking about the whole scenario that may/will be affected by the actions. The *holistic* method is referred to as 'systems thinking' and we can take the following definition as a starting point:

A systems approach

- A system is an assembly of components connected together in an organized way

- The components are affected by being in the system and the behaviour of the system is changed if any of them leave it

- The organized assembly of components does something to achieve a common purpose

- The assembly has been defined as being of particular interest

Clearly, the holistic view holds that if any part (or sub part) is changed in any way, all the other components of the system will be affected by the changes. This is the crucial difference between the systems approach and the *reductionist* approach. In the case of the oil companies, all the stakeholder must be considered in proposal for change.

As part of the analysis of stakeholders' needs and requirements, the analyst can also use some diagnostic frameworks such as STEP (social, technical, economic and political) for assessing the impact of the external environment and

88

PEST/SWOT for the diagnosis of the internal forces (strengths, weaknesses, opportunities and threats).

Definitions of the public include those with whom the organization must establish and maintain enduring and mutually beneficial relationships. Most relationships, however, extend well beyond the period of such specific campaigns. Therefore, even though relationships must be defined specifically for each situation and program goal, they also must be viewed in the larger context of the firm's overall public relations program. Hence, some times goals can be achieved by simply maintaining existing relationships in the face of changing conditions. More likely, however, organizations must continually adjust their relationships with publics in response to an ever-changing social milieu. Because organisation-publics systems exist in changing environments, they must be capable of adapting their goals and relationships to accommodate change pressures from their complex and dynamic settings.

Miller (1967) says, 'living systems' engage in exchanges with their environments, producing changes in both the systems and their environments. Such imagery of exchange processes, structural change, and adaptation captures the essence of the public relations function in organizations. Specifically, public relations is part of what organisation theorists call the adaptive subsystem, as distinct from the production, supportive/disposal, maintenance, and managerial subsystems. (Katz, Kahn, 1966, p 39-47) In this context the managerial subsystem is defined as 'direction, adjudication, and control' of the other subsystems.

Adaptive subsystems vary in sensitivity to their environments, just as do the public relations functions within organisations. Some organizations actively monitor their social environments and make adjustments based on what is learned. Organizational adjustment and adaptation to new conditions depend in part on how open organizations are to their environments.

Public Relations: Theoretical Models and Methodologies

Simple mechanical cybernetic systems and living organisms typically do not change structurally except when pushed to the limit of system tolerance. For example, even though the cuttlefish makes cosmetic changes to blend in with its environments, structural change is not an option when confronting threats in its surrounding. Social systems and complex cybernetic systems such as those used in 'smart buildings,' on the other hand, have the capacity to use cybernetic self-regulation to make relatively major structural changes. Such changes occur to adapt to new environmental conditions or to modify outputs to change or neutralize the sources of change pressure. This interchange between organisations and their environments is characteristic of open systems and makes morphogenesis purposive changes in structure and process possible. In short, systems have the capacity to adjust and adapt to constantly changing environments.

Another quality of this system becomes apparent when social systems are compared with mechanical systems and many living organisms. Relatively simple systems react to outside events only if the input-change pressure is sufficient to penetrate the system boundary. Relatively complex systems monitor - and in some cases actively probe - their environments to detect and predict changing conditions. In other words, sophisticated systems anticipate changes in their environment and initiate corrective actions designed to counteract or neutralize the changes before they become major problems.

Public relations strategies include a similar range of closed versus open approaches. When public relations practitioners get together, they often use the

terms 'reactive' and 'proactive' to describe programs. As the title implies, reactive

programs employ less sophisticated approaches to program planning and

management. A reactive public relations program activates only when disturbed.

. For example, Forbes suggested that Weyerhaeuser's management philosophy

"minimizes outside pressures for performance on management." The magazine

went on to say, "The company is structured in ways that once made sense but no

longer do." According to Forbes, the longtime Weyerhaeuser chairman's (the

founder's great-grandson) "reaction to criticism was to shrug it off," hiring to

positions of responsibility from the outside the company "was nearly taboo," and

"change moves at a glacial pace in this company." Completing the picture of a

relatively closed systems approach, the magazine reported that company

representatives "declined to talk with Forbes for this story, citing among other

things a negative story." (Taylor, 1992, *Forbes*, p 38-40)

As mentioned above, this section will present the theoretical basis of the

public relations function, and identify within the literature the different

methodologies public relations practitioners may use with respect to their

organization's environment. The author will use the research of J. Grunig to

describe the models of public relations. The aim of the Grunig team's study was to

answer the question of "how does (organizational) communication affect the

achievement of organizational objectives?" i.e. how does effective public relations

make organizations more effective in reaching their goals. The second research

question was "how must public relations be practiced, and the communication

function be organized, to contribute most to organizational effectiveness?"

(Grunig, 1992, p 3) Before progressing further acquainting the reader with Grunig's definition of a model will be useful:

"The term model, is used to describe a set of values and pattern of behavior that characterize the approach taken by a public relations department or individual practitioner to all programs or to specific programs or campaign." (Grunig, 1992, p 286)

Models of Public Relations: A Brief History

The research on the theory of public relations stems from 1976, when James E. Grunig conceptualized two kinds of public relations behaviour: 'Synchronic' and 'Diachronic' communication. He found the synchronic type to be asymmetrical, that is the organisation uses public relations to 'synchronize' the behaviour of publics with its own behavior. In other words, the organisation tries to avoid change of its performance. He found the diachronic type to be symmetrical, that is the organization and public try to reach a 'state-of-affairs' that is acceptable to all, that both parties may benefit from a solution. (Grunig 1984, p 7; J.&L. Grunig, 1992, p 287)

Grunig thereafter (in 1984) replaced the concept of synchronic with asymmetrical and the concept of diachronic with symmetrical. He found that these latter two terms better described the purpose of public relations: Asymmetric public relations strives for unbalanced communication and effects, as opposed to symmetrical which strives for balanced ones. (J.&L. Grunig, 1992, p 287)

J. Grunig and T. Hunt (1984) then extended this theoretical focus by identifying four rather that two models of public relations, as they found the behaviour to vary along two independent variables: one-way and asymmetric vs. symmetric. In 1984, J. Grunig identified two variables as a basis of the four models: direction and purpose. Direction describes whether the model includes one-way or two-way communication, with one-way as a monologue and two-way as dialogue. Purpose describes whether the model is asymmetrical, with symmetrical trying to adjust the relationship between the organization and the public. (J.&L. Grunig, 1992, p 289)

This produced the models of press agents/publicity (one-way asymmetric), public information (one-way symmetric), two-way asymmetric and two-way symmetric. (Grunig, 1984, p 8) Regarding the second, public information, J. Grunig later came to consider it as an asymmetric model, as he found its purpose was to perform one-sided influence on others by disseminating selected information, rather than really inviting dialogue. (J.& L. Grunig 1992, p 289-290)

The author is not going to present the performance in history of the four models by the characteristic practitioners that J. Grunig and T. Hunt have used as illustrations. (1984, p 27-43) Rather, this section will present brief synopses of the contents of the models Press Agents, Public Information, Two-way asymmetric and Two-way symmetric communication, i.e., what kind of public relations practice they respectively predict and explain.

The Public Relations Models

The following models are not assumed to be mutually exclusive regarding practice: Most often elements of two or more models are found in public relations

practice, and the model(s) often vary according to the program , i.e., what kind of activity is considered suitable. These four models play a very important part in the Excellence theory, as 'excellence' within the theory is partly considered to be achieved by two-way symmetric practice. Thus, to measure this model one also measures the presence of the other three models. The models measure the broad PR-departmental style of practice.

The Press Agents (PA) Model

Here, the purpose of public relations is propaganda; one spreads the faith of the organisation with information that very well may be incomplete or half-true. The information spread is usually via mass media. Typical tasks which require specialized, professional expertise in this model are:

- the ability to convince a reporter to publicize one's organization

- reliably getting the organization's name into the media (to achieve maximum publicity for a staged event, or for other purposes

- most importantly, to keep negative publicity concerning the organization out of the media.

The methodology and strategy for press agents is one-way communication, with the organization's public relations practitioner as the source, and the organization's publics as the receiver. The organizational goal serviced by the press agents model is control and domination of the environment, with public relations contributing to that goal by advocating for the organization.

Traditionally those practitioners who perform press agents conduct little research; only in the simplest way like counting products sold, people attending, box office status, whether media have used their publicity material and the like - a

95

'counting house.' (Grunig & Hunt, 1984, p 21-24; Grunig, 1984, p 9; J. & L. Grunig, 1992, p 287-288; Dozier, J. & L. Grunig, 1995, p 57)

The Public Information (PI) Model

Here, the purpose of public relations is dissemination of information, and not necessarily with a persuasive intent upon one's publics. The organizational goal is adaptation to, and cooperation with, its environment and the public relations contribution to that goal is the dissemination of information. This information spread is typically one-way, with the organization as sender and the media and other publics as receiver, and truthful information is very important. The practitioners of this model have had a tendency to write only positive news about their organization, but nevertheless what they did write was usually factually accurate. Such a practitioner is, in other words, a 'journalist in residence.'

Typical model tasks requiring special expertise here are thus, apart from acting as journalist inside one's organization, to understand the news value of journalists, to prepare news stories that reports will use, and finally to provide objective information about one's organization. All these latter ones can certainly be said, to spell out somewhat more specifically what it involves to make a journalistic performance within one's organization; they should all be natural parts of that professional knowledge.

However, one that this PI model content does not seem to include practice factors for the broader task of "Maintaining media contacts for my organization" that the media relations role includes, besides to disseminate journalistically acceptable information. This exclusion is of high theoretical and analytical importance; the major skill of the PI practitioner is typically to write publishable

news articles (Hunt & Grunig, 1994, p 49) and not to maintain media relations in a broader sense.

The research activity is typically limited in this model; readability tests may be done to check if the prepared material will be easily digested by the target group, or readership studies may be done to see if the target group uses the information.

However, the informative study results show that very successful, i.e. 'excellent' organizations employ 'media placement evaluation' - i.e. evaluation of press clips - much more than less successful ones. But, more typically, these practitioners don't know the fate of their material after its release. (Grunig & Hunt, 1984, p 21-24; Grunig, 1984, p 8-9; J.&L. Grunig, 1992, p 288; Dozier, J.&L. Grunig, 1995, p 58, 221-222)

The Two-way Asymmetric (2A) Model

Here, the purpose of public relations is scientific persuasion: To get publics to accept the organization's opinion and to behave in a manner supportive of the organisation. In this way, it seems somewhat similar to the press agents model, but the principal difference is that the typical two-way asymmetric (2A) practitioner uses science theory - rather than one's gut feeling - for composing the communication, or 'the engineering of consent;' to understand people's motivation and use research to identify the messages most likely to produce the desired attitudes and behaviour. (J.&L. Grunig, 1992, p 288)

The typical tasks of this model, all of which require expertise based on social science theory are:

- to persuade a public that one's organization is right on an issue

- to get publics to behave as one's organisation wants

- to manipulate publics scientifically

- to use attitude theory in a 'informational' campaign.

The organizational goal is the same as for press agents (control and domination of one's environment) as are the PR contribution to this objective (advocacy for the organization).

When the practitioners determine the issues, they provide products to journalists suitably packaged and spun. Conflict may occur with journalists as 2A practitioners usually try to control journalistic coverage of their organization in order to meet their goals for press coverage. (Hunt & Grunig, 1994, p 50) So in practice, a 2A model is also similar to Press Agents in that it will stress placing favorable news stories, an often relentless drive for positive, high-profile coverage that has often resulted over time in critical journalistic investigation of the organization's, thus killing the initial positive press. (Hunt & Grunig, 1994, p 52) The 2A model is indicative of a quite closed system, it seeks mostly to influence the environment outside the organizational system.

With respect to research practices in support of the 2A methodology, the public may be surveyed for feedback about its attitude and behavior towards the organization. The organization can then adjust its message to persuade more effectively (i.e. formative research) and scientifically determine the final results of a communication activity (i.e. evaluative research). (Grunig & Hunt, 1984, p 22-25; Grunig, 1984, p 9; J.&L. Grunig, 1992, p 288; Dozier, J.&L. Grunig, 1995, p 46)

The Two-way Symmetric (2S) Model

Here, the purpose of public relations is to gain mutual understanding between the organization and its public. Grunig and Hunt write that:

"if persuasion occurs, the public should be just as likely to persuade the organization's management to change attitudes or behavior as the organisation is likely to change the publics attitudes or behavior. Ideally, both ... will change somewhat after a public relations effort." (1984, p 23)

This model has an organizational goal (environmental adaptation and cooperation) in common with the Public Information Model, but the contribution of public relations to this goal is mediation between management and publics, as opposed to information dissemination only. The typical tasks requiring expertise in this model are: negotiating with an activist group, using conflict resolution theories in dealing with publics, helping management to understand the opinion of particular publics, and finally determining how publics react to the organization. All of these tasks imply extraordinarily competent and talented public relations practitioners.

The communication system which supports this model is itself two-way, ideally with balanced effects - i.e. adjustment of the relationship between the organization and public. There is not a simplified communications model with one sender and one receiver/several receivers. Rather the organization and its public interact as groups by switching communicator roles continuously, making notions of sender and receiver less meaningful.

The research that supports this model/method is both formative and evaluative, just as in the two-way asymmetric case. But for this model the practitioner does not research degrees of persuasion. Instead, he often conducts formative research to determine how well management and its public understand each other. He may also conduct evaluative research to check if a public relations activity has brought about a better mutual understanding with publics. (Grunig & Hunt, 1984, p 22-25; Grunig, 1984, p 9; J.&L. Grunig, 1992, p 289; Dozier, J&L. Grunig, 1995, p 46)

J.&L. Grunig writes that "research to date provides evidence that the two-way symmetrical model makes organizations more effective" and that research suggests that it does pay for organizations to be ethical in their public relations. (1992, p 307-308) Media relations studies have also shown the greater effectiveness of this model or the ineffectiveness of the other three (p 309). Openness and trust are among the most important symmetrical concepts. Like Hunt & Grunig write: "Solid, long-term relationships come from openness and honesty with the media..." and they emphasise the importance of these qualities when the organization's activities involve a risk for people. (1994, p 52-53)

It must be noted however, that several researchers have found the symmetrical model to require rather much altruistic behavior in its original formulation, and therefore sought theoretical refinement of it. The author will now present rather briefly the criticisms of the symmetrical theory of communication.

2.4 Criticism of the Concept of Symmetrical Public Relations

Not many such criticisms have been put forward, probably because the theory is quite new and a relatively limited amount of research has been done to test it.

However, among the criticisms that have been published, two important ones were found, Grunig himself later referenced both (1996, p 3-4): Anne van deer Median (1993) and Magma Pieczka (1995). Several less significant critiques have also emerged.

Van der Meiden (1993) both criticizes and reviews criticisms in the theoretical context of pragmatism - the "American State philosophy" - a target - oriented one (pp.8-11). She states that public relations are ultimately related to the engineering of consent by the unilateral initiative of the sender. "PR therefore must be focused on the winning of trust, understanding, and co-operation ... for the sake of self-interest" (p 10). She also refers to G.R .Miller - "the main opponent of this theory..." (i.e. the symmetrical model) and to Botan and Hazelton (p 9): I think the basic objection is that PR means persuasion and symbolic control of publics/environments in order to support organizational ends. V.D. Meiden writes, "This means that in using the term 'symmetric,' the undesirable connotation of neutrality will be evoked," giving the impression that an organization may "afford itself the luxury of disconnecting its communicative activities from its immediate or remote interests." (p 9)

Magda Pieczka (1995) discusses 'Symmetry in Communication and Public Relations' and Grunig's symmetrical theory in the context of Jurgen Habermas theory of communicative action especially. She writes:

"Looking back at the symmetrical presumptions ... we find an interest in

understanding as a communication effect; equality as a condition of successful

communication; and a preoccupation with consensus and conflict resolution."
(p 4)

Pieczka sees a contradiction between this stress of equality and the stress of 'stockholders' (Grunig & Report's, 1992, p 125) writing on strategic PR management, and she finds the concept of 'stockholder' to be "... irreconcilable with symmetry." (p 8)

Krakow and Pavlov (Grunig & White, 1992, p 47) both have criticized in their respective studies the symmetrical model for being unrealistic - at least in the US, thinks Rakow - as organizations have more power than publics and therefore are unlikely to go for symmetry in public relations.

Mallinson's critique that the two-way symmetrical model probably would work better in the European cultures than in the USA due to the higher degree of egalitarianism in Europe. (Grunig & White, 1992, p 47)

In a reply to Meiden, Miller and Pieczka, Grunig writes that he never:

"equated the symmetrical model with accommodation of the public interest at the expense of the organization's self-interest and never viewed that model as strictly an idealistic, normative model. In fact, the concept of symmetry directly implies a balance of the organization's and the public's interest."
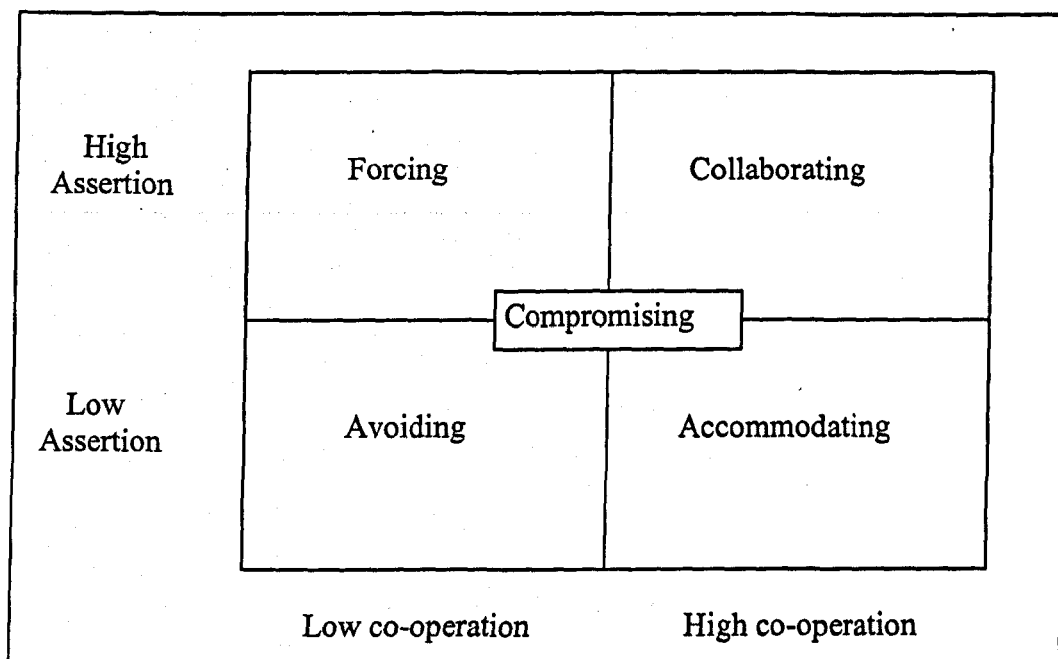(1996, p 3-4)

He writes, though, that the criticisms suggest conceptual ambiguities and thus a new combined model of two-way symmetrical and asymmetrical public relations is presented that clarifies the relationships among the two models.

Regarding the criticisms of Mallinson, Pavlik and Rakow, Grunig & White answer with reference to Gouldner that the dilemma of unequal power can be solved by a generalized norm of reciprocity. They think that organizational non-adherence to this norm will mean the loss of trust and credibility of the larger society, and that the reciprocity norm "...is the essence of what generally is called responsibility. When one assume that the other party will reciprocate one's actions we can treat the others fairly despite that we might have more power." (1992, p 47) The new model to which Grunig refers is the Mixed-Motives model.

The Mixed Motives (M-M) Combination of the 2A and 2S Models

Research contributions by Murphy and Conrad suggest that a model of excellence is not made up of two-way symmetric communication alone (negotiation and mutual understanding). It comprises also two-way asymmetric communication in the sense that organizations certainly pursue their own interests as much as possible, while attempting at the same time to make their positions and practices acceptable to the other negotiating party. So organizations routinely have mixed motives in their public relations efforts; understanding is desirable, but forwarding one's own interests certainly also is. The two-way symmetric communicators will, then, try to seek 'win-win' solutions where both organization and the key publics benefit. No party should have reason to regret the negotiating. A 'Win-Win' result zone - made up of the 2S model - is achieved in the middle of the new Mixed-Motives (M-M) model. The parties neither completely seek to dominate each other nor completely gave in to the other party's position. (J.&L. Grunig, 1992, p 311).

From the point of view of conflict resolution in the Muslim tradition, Kozan (1989) surveyed conflict management styles of 215 Turkish and 134 Jordanian managers and compared them with data from the USA. He used a version of the Two-dimensional model as adapted by Whetton and Cameron (1984):

	Low co-operation	High co-operation
High Assertion	Forcing	Collaborating
	Compromising	
Low Assertion	Avoiding	Accommodating

Kozan hypothesized that preferences for the different management styles would be influenced by the unique Moslem culture in which the managers functioned (in Turkey and Jordan). He reported, however, that the two Moslem countries and the managers within the USA clearly expressed a preference for the Collaborative style. However, the different cultures differed from each other in terms of the other four styles, as follows:

Preference	Turkey	Jordan	USA
1	Collaboration	Collaboration	Collaboration
2	Competition	Compromise	Compromise
3	Compromise	Accommodation	Accommodation
4	Avoidance	Avoidance	Competition
5	Accommodation	Competition	Avoidance

Turkish, Jordanian and US Conflict-handling Styles

2.5 Ethics and Professionalism in Public Relations

The inexorable forces that have brought about socialization and high technology, i.e., the rise of organizations and the era of McLuhan's (1964) 'global village,' are also aggravating a universal longing for ethical and moral systems that will keep the society from degeneration leading mutual destruction. Theories of 'enlightened self-interest' are in themselves insufficient to contain the malevolent forces in humanity that work to overturn the strictures of reason and the ideals of tolerance and benevolence. Popular theorists and amateur philosophers are forever trying to shoot down some venerable moral or ethical status or ideal on the ground that "human nature has changed." But the simple fact is that human nature, at least all that we know of it from recorded history, has not essentially changed and shows no signs of doing so.

Judd, Larry R., in an article issued on spring 1995, p35-42 of the Public Relations Review entitled 'An Approach to Ethics in the Information Age,' wrote:

"Public Relations practitioners not only direct the communication of an organization, but also serve as advisors on issues-tracking related to ethics and social responsibility. Most organizations strive to influence social and economic policy by participating in public discourse. In order to hold a stake in the public arena, the organization must seem credible. Ethics and credibility are directly changing due to the advances in technology." They added; "....values have changed through the centuries as do the cultures they reflect. Today we are in a constantly changing environment that is directly affected by new technology. The space and time barriers which at one time allowed people to communicate face to face allow people at opposite ends of the world to communicate electronically. This emerging information society allows communication channels to be breached and false and misleading information to be disseminated."

Many scholars have neglected to find out what public relations is really all about. Some have made the unforgivable *faux pas* of attempting to discredit public relations practitioners with statements to the effect that "they have the power to manipulate people," or that they know how to "create favorable images." Some have suggested that public relations will do its thing even for an unsavory cause if the price is right.

Public relations professionals have an extraordinary interest in and dedication to an ideal of ethical practice. Most, in the author's acquaintance, are extraordinarily scrupulous about their own activities as well as those causes or clients they serve. And, ethical questions are among the chief topics of

conversation whenever two or three are gathered together. They are supersensitive to these matters, if only for the pragmatic and self-serving reason that by the nature of their work they have to be. The only way they can earn the trust and credibility they need to be effective with clients, media, and the public is to build a personal record and reputation for integrity, honesty, and accuracy.

Ethics is one of the most important, pervasive and persistent issues that confront organizations as we approach the 21ˢᵗ century. Frasier Seitel of the Greater New York Savings Bank, stated:

"the success of public relations in the 1990's and beyond will depend in large part on how the field responds to the issue of ethical conduct. Public Relations professionals must have credibility in order to practice."

Questionable business decisions leave organizations open to public scrutiny. Public relations people are more conscious than most citizens of the fact that they can only exist and function in a free society, where the highest value is accorded the God-given rights of the individual. They understand only too well that public relations is only part communications, and that in the final analysis, it is what their clients do, not merely what they say, that earns the public's understanding and acceptance they are tasked to achieve. It is in their interest then, to advise clients that they are best served by acting in accordance with the public interest. What is the public interest? It is more than merely observing the laws of the land. The PRSA 'Code of Professional Standards' defines it as all that is covered by the Constitution of the U.S. Walter Lippmann (1955) described it this way:

"The public interest may be presumed to be what men would choose if they saw clearly, thought rationally, acted disinterestedly and benevolently."
(Lippmann, 1955, p 42)

Nevertheless, the question of business ethics is of overriding concern to public relations professionals working to help achieve public acceptance of, and even public support for, the business organizations that are their employers or clients. Already there is evidence of how the particular values espoused by public relations since its inception are being reflected in the policies and operations of the organizations it serves. Public relations professionals have played a contributory role in helping contemporary businesses develop and articulate the concept of corporate social responsibility.

However, ethical standards are often themselves culturally specific, thus implying different practices in different cultural settings. Viewing western values from the standpoint of others may lead to the ability to create or modify universal standards, thus accounting for cultural differences by using language that permits some flexibility in interpretation (Eisenllerg, 1984, p 227-242), but does not impose ethnocentric standards. (Dexter and other, 1995) Such a move is consistent with the goal of 'Mutual Understanding' that increasingly characterizes the practice of public relations in the global environment. (Grunig and Hunt, p 89)

However, as is well established in the literature, ethics and norms should be understood as culture-specific, interpreted and practised in different ways in different cultural settings. As noted by Eisenllerg, (1984: pp. 227-242):

"Viewing western values from the standpoint of others may lead to the ability to create or modify universal standards *that account for cultural differences* by using wording that (permits) flexibility in interpretation, but does not impose ethno-centrist standards."

(emphasis added)

Because the thrust of this paper is to assess the effectiveness of a public relations program in a traditional society, it is appropriate to address the more specific application of public relations programs in traditional societies in a general theoretical sense. This review will permit the reader to better understand the nature of 'cultural entrepreneurship,' thus gaining a needed perspective to comprehend the differences between the duties of public relations in western and traditional societies.

2.6 Public Relations in a Traditional Society

The aim of this section is to demonstrate that public relations practices, when appropriately modified for traditional societies in the Arab world, can be equally useful to the purposes of the organization. The author will also discuss and demonstrate modifications to the theories and practices discussed in the pages above, which in his view have achieved remarkable success in a general sense, and improved the organization's relationship with critical, yet traditional, publics in a specific sense.

Before discussing the role of public relations in a traditional Arab society such as the United Arab Emirates, it is necessary to offer a primer concerning the

traditional western view of 'Oriental' society. This view perceives 'Oriental' society as not only different from western 'Occidental' society, but in some ways the definitional opposite of western society.

Edward Said (1979), in his book Orientalism defined orientalism as the image westener's had of the East and he said:

"It will be clear to the reader......that by Orientalism I mean several things, all of them, in my opinion, interdependent. The most readily accepted designation for Orientalism is an academic one, and indeed the label still serves in a number of academic institutions. Anyone who teaches, writes about, or researches the Orient and this applies whether the person is an anthropologist, sociologist, historian or philologist-- either in its specific or its general aspects, is an Orientalist, and what he or she says or does is Orientalism................."

Orientalism, then, is a style of thought based upon the ontological and epistemological distinction made between 'the Orient' and (most of the time) 'the Occident.' Thus a very large mass of writers, including poets, novelists, philosophers, political theorists, economists, and imperial administrators, have accepted the basic distinction between East and West as the starting point for elaborate accounts concerning the Orient, its people, customs, 'mind,' destiny, and so on. This spirit of orientalism has over time established impressions and norms in both the east and the west, and among these impressions is the widely accepted

belief that east and west are in a cultural sense polar opposites. (Said, 1979,p1-3, 5)

Indeed, the polar notions of the cultures of east and west remains a conspicuous feature of the discourse. Some intellectuals argue against the possibility of the cultural pluralism articulated by McLuan in his notion of a global village. Indeed prominent political theorist Samuel Huntington, (1993) warned about an seemingly inevitable "clash of civilizations." By stressing the pre-eminence of the peaceful and accommodative nature of Islamic civilization, more constructive options for the Muslim world are envisaged by some. One example is Al Mazroui, who theorizes that Islam can reach out as a transformative force:

"Far from being the end of history, this could be the beginning of a 'reverse revolution' a retracing of our steps back to a world of less statehood, greater intimacy and declining secularism." (Mazroui, 11 :2, 1993)

Mazroui believes that the Muslims of Southeast Asia, not being Arabs and at the very least bi-cultural, may take the lead in accommodating cultural pluralism in the modern world.......most people in South east Asia seem to be more interested in economic progress than cultural hegemony. (Ibid, 1-27)

Edward Said (1979) used the concept of 'Orientalism' in an attempt to reveal the western cultural imperialism of the present century. Said remarked that one of the greatest challenges to contemporary scholarship lies in developing non-

coercive, non-manipulative ways of studying other cultures, ways that permit greater understanding of human experience.

Indeed to achieve any significant level of cross-cultural understanding, one must - to the degree possible - put himself within the other person's environment. Archival research is simply insufficient. Such cultural immersion is an absolute pre-requisite before any analyst should deem himself qualified to comment on behaviour, attitude, work ethic, etc. It is unthinkable and completely impractical to suggest that a practitioner who lacked this necessary understanding could construct a serious public relations programme. Edward Hall said in the Silent language (1959) "I am convinced that much of our difficulty with other people in other countries ..... so little is known about ...cultural communication." Despite the significant cross-cultural barriers, the questions that confront the analyst at this juncture are:

- To what degree are the theories of public relations developed in the west applicable to the public relations profession worldwide?

- Will public relations practices and services become globalizes in a way similar to the globalization of other products and services?

- Is there anything unique that the practice of public relations within a traditional country such as UAE might helpfully contribute to a globalized public relations theory?

The discussion and analysis within this section attempts to provide necessary clarification concerning these important issues/questions.

2.7 Determinates of Cultural Norms

Culture as a term connotes different meanings to different analysts. Within this section the author will offer the accepted working definitions of cultural norms in order to make more possible the necessary adjustment to western concepts of public relations theory to the culture of the UAE. In this regard, the literature is again helpful. An important definition of culture is offered by anthropologist Geertz (1993, p 89). Geertz states:

"It (culture) denotes an historically transmitted pattern of meanings embodied in symbols, a system of inherited conceptions expressed in symbolic forms by means of which men communicate, perpetuate and develop their knowledge about and attitudes toward life."

A less lofty, and thus more useful analytical definition of culture is provided by Scollon and Scollon (1995,p 126). These analysts classify two norms of culture: 'high culture' and 'anthropological culture.' In this conceptualization, high culture "focuses on intellectual and artistic achievements." By contrast, anthropological culture means "any of the customs, world view, language, kinship system, social organisation and other taken-for -granted day-to-day practices of a people which sets that group apart as a distinctive group." In a similar and complementary vein, Allwood (1997, his lectures) describes culture through presentation of its four main aspects: thought norms, behavior norms, artifact norms and evidence in nature. Allwood stresses that 'culture' is composed of transmitted norms and social expectations socially acquired values that pass from one generation to the next.

Culture can of course be interpreted in different social patterns, i.e. religion, ideology, philosophy, aesthetics and science. (Geertz, 1993) A number of elements need to be appreciated. Firstly, culture, to exist, has to be shared by a number of those who subscribed to the particular culture. Secondly, and arising from the first point, it is rare to see a society or an organization with a homogenous culture. A hospital will have its consultants, its nurses, its administrators and its porters who will all possess variations of the corporate and organizational culture. Similarly, the oil and gas companies will also have their culture differences, and even their cultural clashes, and these will be known within the organizations as the sub-cultures.

It is also worth distinguishing between the corporate and the organizational culture of any organization. Firstly, the corporate culture is the values, attitudes, behaviour and work practices that has been decided will prevail by top management. This is in Talcott Parson's terminology 'structural functionalism'. Top down, the culture is part of what an organization 'has' and, as such, is a variable which can readily be changed. On the other hand, there is the bottom up culture which arises from the mixing of staff at all the various levels. This 'mixing' process is known as 'interactionism' and the process of change is known as 'symbolic interactionism' - what an organization 'is' and, as such, change is very difficult and can usually only be modified in the long-term.

To import, in a meaningful and appropriate way, certain western concepts of culture and public relations into the still traditional society and culture of the UAE should begin with a framework which permits and enables understanding of the

fundamental and important differences of the two cultures. The following analysis identifies these differences.

High versus Low Context

A low context culture is one in which things are fully (though concisely) spelled out. Things are made explicit, and there is significant dependence on what is actually said or particularly what is written. By contrast, a high context culture is one in which the communicators assume and expect a great deal of commonality of knowledge and views, so that less is spelled out – and less needs to be spelled out – explicitly, and much of the communication is implicit or indirect. It follows that in a low context culture, more responsibility is placed on the initiator or speaker to be precise in meaning and clear in text. Hall (1976) in discussing the cultural continuum suggests that as communication proceeds along a path from low context to high context, one should expect context to increasingly define the message, and the actual meaning of the message in a definitional or linguistics sense, to have less influence over actual meaning. Hall views meaning and context as " Inextricably bound up with each other." The difference between high and low context cultures depends on how much meaning is found in the context versus in the code. (Hall 1976, 1982, p18) Low context cultures such as western culture, tend to place more meaning in the language content, and very little meaning in the context. For this reason, communication in western cultures tends to specific, explicit and analytical. (Toomey 1985) This said and acknowledged we should acknowledge that there is substantial variation and differentiation within western culture, and much of this differentiation is accompanied by different language patterns.

As is evident from the above discussion, within a high context culture, meaning is embedded more in the context rather than the code. As Hall (1976, p 18) states, " Most of the information is either in the physical context or internalized in the person, while very little is in the coded, explicit, transmitted part of the message." Thus the listener must understand the contextual cues in order to grasp the full meaning of the message. Thus a high context person will tend to talk around a point and expect his listener to know what he means. "It is not necessary for the speaker to be specific because the details are in the context, not the message." (Hall 1976, p 98). Traditional cultures for many reasons tend to communicate with high context. The homogeneity, the value placed upon the ways of the societies elders, and the close knit family/tribal structure all tend to enable high context communication.

Determinants of Cultural Norms

In studying cultural differences within work-related value orientations, Hofstede surveyed more than 88 000 employees of a large multinational corporation that has branches in 66 countries. Based on the information obtained from this extensive survey research, Hofstede identified four dimensions of given society's culture. This dimensional analysis is described below. The dimensions/factors identified by Hofstede are: power-distance, uncertainty avoidance, individualism-collectivism, masculinity-femininity and interpersonal trust.

The Power Distance Relationship

The power distance relationship is a reflection of the society's culture-driven choice. This concerns the distribution of power within the society between

institutional and organizational power and how it should be distributed (i.e. equally or unequally), the manner in which the society's members should respond to the decisions of the society's power holders (challenged or accepted). A society's power-distance relationship is evident through the customs of decision-making within the family, the relationships between students and teachers, and in a more general sense the relationships between the young and the elderly, language systems and the development of the language, and the policies and procedures of organisations.

In a specific sense, a society's power-distance function can be estimated by an analysis of the extent to which the members of that society accept that power resident in institutions and organizations is distributed unequally – in Orwellian terms, some of the society's members are more equal than others. Such a cultural practice potentially affects the behaviour of all of the society's members - the less powerful as well as the more powerful. People in large power distance societies accept without complaint a hierarchical order defined by family, an order that is non-meritocratic and requires no particular justification for decisions associated with the distribution of the society's power and indeed its wealth. People in smaller power distance societies strive for and expect power equalization, and demand meritocratic justification for power inequalities. The fundamental issue addressed by this dimension is how a society or culture addresses inequalities among its members when such inequalities occur. Traditional societies are more likely to establish and/or maintain a hierarchy based upon non-meritocratic factors such as family. For the public relations officers, power is vested in them from many perspectives; position power, expert power, personal and professional

power, and the amount of power at their disposal must be unique within the oil and gas industry.

Individualism versus Collectivism

The dimension of individualism versus collectivism identifies the cultural preference within given societies for a particular social framework and economic ethos. In societies which tend to identify more closely with individualistic preferences we should expect to find a relatively loosely knit social framework. Individuals are 'culturally' supposed to take care of themselves and their immediate families only. The opposite, Collectivism, identifies a cultural preference for a more tightly knit social framework. In collective societies individuals expect their relatives, clan or tribe, political party, commune, etc. to look after them in exchange for unquestioning loyalty. The fundamental issue addressed by this dimension is the degree of economic and social independence a society maintains among individuals. This dimension ultimately relates to a people's cultural self-perception, 'I' or 'We.'

In those societies nearer to the collectivism pole, the assumption and presumption individuals are motivated primarily by economic self - interest in culturally untenable. By definition within a collectivist culture, the individual is motivated primarily by group (or team, tribe, etc.) interests. The group can be the extended family, the clan, the tribe or some other type of in-group with which people identify. Economic behaviour in such a society will be judged irrational to those who assume self - interest to be the ultimate or fundamental economic driver. In this sense, a society's individualistic/collectivist cultural preference also affects the attractiveness of economic systems; free-market capitalism in culturally

118

collectivist countries often appeals less that systems of state capitalism and/or state socialism.

In individualist cultures, the relationship between the employee and the employer is defined primarily as a business relationship based upon the assumption of mutual advantage. In more collectivist cultures, the relationship between the employee and employer tends to include a moral component. Indeed, this relationship is often described as culturally similar to the relationship of a child with its extended family, i.e. one defined by mutual social obligation. An employer within a collectivist society is culturally expected to protect the employee, and often enough the employee's family. In return, the employer receives the employee's loyalty, productivity is a second-order function within the relationship. Within primarily individualist cultures, business standards stress that all individuals should be treated fairly, friendships and enmities should not affect the 'marketplace.' Business behaviour, to employ a sociological term, should be universalistic.

In collectivist cultures, even during business transactions, individual actors tend to think in terms of 'we' (our family, tribe, organisation, etc.) and 'they' (non-members). Relations, friends, tribesmen expect and receive better deals than strangers as a societal norm. The sociological term for such behaviour is particularistic. Considerations of personal trust and relationships should have precedence over business considerations. Whereas in individualist cultures, it is a cultural norm that the task/transaction should have priority over the relationships, within collectivist cultures, it is a cultural norm that the relationship(s) should enjoy priority over the task/transaction.

The United Arab Emirates remains a traditional, even tribal society in many ways. As such, its cultural norms tend to be among the most collectivist of societies in the world. Obviously this cultural tendency should impact the public relations strategy of organizations in significant and important ways.

Uncertainty Avoidance

Uncertainty Avoidance as a dimension identifies the degree to which the members of a given society feel comfortable or uncomfortable with uncertainty and ambiguity. This cultural feeling can persuade individuals within given societies to subscribe to attitudes and behaviour which favour relative certainty, and to the preference within these societies for institutional conformity. In this sense, cultures, which exhibit strong uncertainty avoidance tendencies, can be expected to prefer and maintain relatively rigid codes of behaviour. Such societies tend to be relatively intolerant towards deviance from accepted norms by individuals and organizations. By contrast, societies which exhibit relatively weak uncertainty avoidance tendencies often maintain a more relaxed atmosphere in which the outcome counts more than a societal principle, and deviance from cultural norms is more easily tolerated. In an operational sense, the fundamental issue addressed by this dimension is the reaction within the society to change. A society which attempts to limit or control the discretionary choices of its members is characteristically strong in the uncertainty avoidance dimension, a society which responds to external change through complementary changes in its internal structure is exhibiting relatively weak uncertainty avoidance tendencies. Like the dimension of power-distance described previously, uncertainty avoidance has consequences for the way people build their institutions and organisations.

The uncertainty avoidance dimension can also be estimated through an analysis of the response made by a given culture to ambiguity or uncertainty. If the society in question responds to uncertainty by establishing more structure, it should receive high positive scores on the uncertainty avoidance index. Such cultures exhibit a low tolerance for ambiguity. Often, such cultures respond to uncertainty through consensus seeking, and other forms of risk avoidance/mitigation. By contrast, cultures with low uncertainty avoidance index scores have a high tolerance for uncertainty and ambiguity, believe in accepting and encouraging dissenting views among cultural members, and accept the risk inherent in attempting new things. Unsurprisingly, high uncertainty avoidance cultures tend to develop many rules to control social behaviour, low uncertainty avoidance index cultures need few rules to control social behaviour. Cultures low on the uncertainty avoidance scale will often possess written and unwritten rules or norms, but in general these norms often leave room for interpretation, and avoid rigidity and/or absolutism in either language or enforcement.

In short, the members of different societies do not necessarily exhibit a similar degree of tolerance with respect to an ambiguous future. Hofstede interpreted this tolerance for uncertainty avoidance by introducing the notion of security. He asserted that a society which exhibits high uncertainty avoidance often chose a planned approach to avoid or mitigate risk. Cultures which are more comfortable with uncertainty often exhibit a greater ability to tolerate diversity and a range of ideas and behaviours.

Masculinity versus Femininity

This dimension of societal preference is a measure of the extent to which the dominant values in a society tend toward assertiveness and the acquisition of material things, and comparatively less concern for social welfare and the traditional quality of life issues of education, employment, health and so on. The dimension was labeled ' Masculinity' because, within nearly all of the countries measured, men were more likely to score higher on the assertiveness scale than women. This was found empirically to be the case even within those societies that in the aggregate, i.e. considering both men and women, which tended to be characterized more by 'masculine' values. (Hofstede, 1984, Asian Pacific ....)

Importantly, the masculinity dimension describes the extent to which social gender roles are differentiated within a given society. This often is reflected in the way jobs are distributed within a society. Very masculine societies tend to have few if any women in certain occupations. High status and supervisory positions are usually reserved for men. Feminine societies tend to have a more equal distribution of social gender roles.

The United Arab Emirates, like the vast majority of traditional societies, would rate quite high on this latter point, although in many respects an assessment of this sort should produce a mixed report. As a society, the UAE is very concerned about the social welfare and quality of life of its members, however the traditional and direct power is held by the males (which incidentally includes supervision of the very large social welfare program), females exercise their power in indirect ways.

Interpersonal Trust

Trust is a vital, indeed an essential, social lubricant, which enables otherwise difficult if not infeasible relationships to exist and flourish. Trust provides a viable response to opportunistic behaviour, and the interpersonal stress which the prospect of such behaviour often creates and imposes. (Arrow, 1972, 1974: Dasgupta 1988) Thus, trust is one's orientation towards another, voluntarily assumed to cope with relational uncertainty. It generally involves the acceptance of vulnerability in conjunction with the expectations that another's actions will not be adverse. While trust is central to the success of all alliances, it is particularly critical in the intercultural setting typified by parties with dissimilar values and norms. However, trust itself is affected by cultural conditioning. Both universalistic and particularistic measures were used to assess cultural influence on a multidimensional construct of trust.

Usually we think of trust in interpersonal terms, as an attitude one person has towards another, or as important aspect of a relationship between people. Trust is a necessary feature of social life because we are interdependent. "We have relationships with others whose future behaviour we can neither predict not control." (Lahmann 1979, Gambert 1988, Thomas 1991 - in Trady Govier 1993)

This cross-cultural interdependence presents great challenge to the successful execution of a public relations endeavour within the United Arab Emirates. The challenge of producing increasing levels of trust in a relationship that would otherwise be less trustful is the quintessential task of a public relations entity. To create trust in a relationship between a western oil company which embraces a

primarily western culture and the traditional UAE society which surrounds it is an enormously complex and challenging task.

The responsibility to both create as much trust as possible, and to supplement that trust with cross-cultural sensitivity is the responsibility of the public relations practitioner. This specific issue discussed in the case studies which follow will effectively highlight this trust/non-trust issue.

2.8 A Public Relations Model

Having discussed the culture dimensions as described within the relevant literature, it is important at this juncture to relate these concepts to the operational reality of the public relations task confronted by the practitioner within the traditional society of the UAE.

As mentioned, the cultures of the western societies do not often or comfortably co-exist with the traditional cultures of the Arabian Peninsula. The UAE is more collectivist than the west, and this is particularly true with respect to the United States, among the most individualistic societies of the western world. The UAE is also more hierarchical in the distribution of power, and embraces meritocratic principle with greater caution than in the west. In the west, power through merit is a norm, in the UAE it remains an imperfectly accepted concept, and in segments of the society, merit per se is not relevant to the distribution of power. In terms of the dimension of uncertainty avoidance, the UAE as a culture attempts to minimize both the cause and the effects of wrenching societal change. Having said that, in the UAE as elsewhere, there is a reality and an inevitability concerning change, that it is fair to suggest that acceptance of important social

change is generational, with younger generations far more accepting of change than their elders. The UAE is certainly in many ways a masculine society - or even a macho society – the male gender enjoys many privileges and shoulders many responsibilities neither of which are normally afforded the female gender. However, it does not follow that as a society, the UAE is extraordinarily generous in terms of social services and the distribution of national wealth to citizens as entitlement. In this dimension, the UAE and the other states of the Gulf are hybrid, and their policies are not well described by a hypothetical masculine-feminine dichotomy. A public relations model must accommodate the uniqueness of the UAE as a society.

Sriramesh and White (1990) have argued that cultural differences between and among societies is an effective guidepost when utilized to design an effective public relations program for different societies. (Grunig, 1992, p 597) Similarly they suggest that scholars should question whether western public relations theories are sufficiently comprehensive to explain public relations activities worldwide. Acknowledging the weakness of translating and interpolating western public relations theories to eastern situations, the same authors make the important point that despite this limitation, it appears that eastern societies may in fact be particularly fertile ground for the open public relations theories previously described as the 'two-way symmetrical' or 'excellent' model. As we will recall, the two-way symmetrical model, when incorporating the important critiques to this model, suggest that public relations success is best achieved through an open system.

In our previous discussion of open systems theory, we noted that the system described by the theory enabled continuous interaction between the organisation and its environment. It was well noted that the organization and its environment while perhaps culturally different, were very much interdependent in important ways. The public relations function consciously and indeed unabashedly attempts to optimize the interests of the organization, but openly and knowledgeably responds to, and acts with, the external groups on the behalf of the organization. To the degree possible 'win-win' solutions to the challenges the organization and the environment jointly confront are sought in a spirit of openness and collegiality.

As we previously noted about open systems:

Definitions of the publics include those with whom the organization must establish and maintain enduring and mutually beneficial relationships. Most relationships, however, extend well beyond the period of any specific campaign. Therefore, even though relationships must be defined specifically for each situation and program goal, they also must be viewed in the larger context of the firm's overall public relations program. Public relations effects, then, are part of an organization's purposive and, therefore, managed behavior to achieve goals. On occasion, goals can be achieved by simply maintaining existing relationships in the face of changing conditions. It is often the case however, that organisations must dynamically adjust their relationships with publics in response to an ever-changing social milieu. And, of course, the organisation acts wittingly or unwittingly as a change agent within society, and is at least in part

responsible for the changing milieu. Because organizations and publics exist in changing environments, they must each be capable of adapting their goals and relationships to accommodate change pressures from their complex, interactive and dynamic settings. As such, the systems model which describes this relationship must be capable of projecting both the dynamism inherent in the interactions, and offer both micro- and macro-perspectives of the relationship as it exists and responds to events. The interactive dynamics of the system can be effectively described as 'living.'

As was suggested earlier, this practice of open and mutually beneficial interaction may well be very appropriate in the situation under study. Kruckeberg (1996) notes:

"While Middle East Moslem social systems may seem ultimately patriarchal and hierarchical to Westerners, and while matters of religion may not be open for deliberation, Middle East society also remains highly tribal and communal in nature – with the symmetrical attributes of such communalism. Throughout much of the Middle East, many rulers and their governments are highly concerned about the welfare of their people, and they communicate symmetrically in a variety of ways about a range of issues. Furthermore, many of the basic tenets of Islam encourage symmetrical dialogue to manage conflict, to improve understanding and to build relationships with one another. Finally there is a religious mandate to love and to take responsibility for one another."

The author agrees with Kruckeberg, and has applied these insights generously in his work as a public relations practitioner in the United Arab Emirates. The case studies included within this research effort also support Kruckeberg's conclusion.

2.9 Conclusion

Within this chapter the reader was introduced to organization theory in greater detail than discussed previously. In addition to the theories of the classicists such as Weber, the author noted several more recent theoretical thrusts, and paid particular note to the more recent work concerning systems theories as they apply to social science, and open systems theories in particular. This effectively abolished the classical notion that an organisation existed more or less within itself and opened the possibility that organisations reacted to and interacted with their environment in important ways.

Acknowledging, this environmental reality, the author went on to discuss the several theories which in turn discuss and describe the relationship between any organisation and its environment. This section concludes by noting the tremendous level of interaction between the modern complex organisation and its environment, an environment significantly enlarged by the trend towards globalization.

The next section discusses the theories and the history of public relations as the organizational function located at the interstices of this junction between organisations and their environments. It notes the various theories of public

relations, and the varying degrees of focus organisations employ in attempts to influence that environment. The last of these theories, two-way symmetry, in its most basic form, actually suggests that organisations, to include commercial organisations, actually were not – and should not become – engaged in attempts to influence the attitude and behaviour of external actors. Helpful critiques returned this theory to a directed, well-informed, interactive, organizational effort to interact with the public *in accordance with organizational goals (emphasis added).*

In a later section, the traditional society of the United Arab Emirates is described with particular reference to the characteristics of such societies. An important insight by Kruckeberg (1996) is included. Kruckeberg was particularly insightful concerning traditional Islamic societies, and noted that two-way, open systems, public relations efforts could be particularly productive, in such societies, to both the organization and its environment as it both excited and responded to the high degree of symmetrical interaction characteristic of such societies.

CHAPTER 3

Researching Methodology: Public Relations Practices within the
United Arab Emirates Oil Industry

3. Introduction

Chapters One and Two provided a comprehensive review of the literature of social change, bureaucratic behaviour, and the role of corporate public relations. As we shall discuss in greater detail, this review consisted predominantly of Western sources, and particularly in the explication of the public relations profession, failed to adequately describe the role of the Arab Gulf practitioner. Nonetheless, armed with a solid theoretical basis for further inquiry and analysis, this thesis will now begin to examine the social implications of the modern oil industry as an engine of change within the United Arab Emirates. And the role of the Arab Gulf public relations professional will be examined in great detail as well. This chapter will discuss the research methodology available for this examination, and choose the most suitable. The author will introduce the several traditional methods of conducting a social research effort of this genre, and determine which methods are best suited to this specific inquiry. A research imperative is to illuminate the 'public' problems and challenges confronted by a modern, legal-rational, organization functioning, or at least attempting to function, in a traditional Arab Gulf environment. The second imperative is to document and discuss the entrepreneurial activity of the organization's public relations function on both the organizations and the societies behalf which increases organizational

effectiveness and success. The chapter includes a section on the problems

associated with actually conducting organizational/social research within this

traditional society.

The following section will discuss in greater detail the two major forms of

social research – field and laboratory. In the 'field' category are those methods

which require the researcher to actually go out and study an organisation in its

natural environment. The fundamental types of 'field' study are the 'case study,'

'survey analysis,' 'natural experiment' and 'field experiment.' Each of these has

been discussed and analyzed in terms of their suitability for use in this particular

thesis. The second basic category of social research is the 'laboratory' approach.

This research variant is most commonly associated with the study of the natural

sciences, but has been applied to the field of social sciences by research theorists

such as Karl Weick. (Weick, 1969, p 194, 260-1967, p 1, 56) Laboratory methods

involve attempting to break an organizational process down into its component

parts in order to study the mechanisms of each in isolation. Under the laboratory

approach, control of the individual components is much easier, and thus this

methodology lends itself well to the intensive study of a limited number of

variables. However, it is somewhat artificial, and the relationships, tasks, and

goals that would normally exist in a real organization have to be fabricated to a

certain degree. Because of the imperative of this research to illuminate the actual

social transactions between a modern corporation and the members of a traditional

society, a laboratory research effort would have limited applicability. A traditional

society's members, once re-located to a laboratory, would begin to demonstrate traditional traits and customs to a far lesser degree.

It is also important to note that there are different techniques and approaches available within the major divisions of research methods. Each of these is worth investigating in order to acquire a better knowledge of them, and thus be able to select the most suitable method. People tend to use different styles to collect data and in most large research efforts, more than one approach is used. However, even the selection of a specific technique or style does not necessarily limit one to remain confined within its limits.

These different techniques and approaches, to include the qualitative/quantitative, ethnographic, survey, intensive case study, natural experiment, library/archival or others, offers certain strengths and weaknesses to the final research product. It ultimately depends on the researcher and his chosen research question. The researcher's decision to select the specific method and techniques most likely to produce the greatest value and scientific validity for his or her research undertaking is perhaps the most important decision a researcher will make. As Bell has pointed out:

"A successful study will provide the reader with a three-dimensional picture and will illustrate relationship, micro-political issues and patterns of influence in a particular context." (Bell, 1995, p 9)

Each of these categories and approaches of research methods will now be discussed in some detail to permit a proper understanding and selection.

3.1 Field Methods

Field methods have been classified in a number of different ways, but for our purpose we will use the following classification: the case study or multiple-case study method, the survey, the natural experiment, and the ethnographic approach.

Case Study

The case study or multiple-case study is an observation by the researcher of the dynamics of an organization or organisations. It includes written descriptions of the researcher's overall findings and impressions about the organisation or more specifically of the specific organizational variables under consideration. This methodology may require the use of a 'participant/observer' to gather the information. Observation by well-informed and qualified researchers is an especially useful method for the study of organizational processes, such as inner-organizational communication or change. Questionnaire research - another alternative - tends to provide data more effectively on such issues as attitude, values, perceptions, and so on, but this approach is less effective when examining processes and the actual social and physical dynamics which make up processes, as argued by Yen (1994):

"The case study allows an investigation to retain the holistic and meaningful characteristics of real life events - such as individual life cycles, organizational and management processes, neighborhood change, international relations and the maturation of industries." (Yen, 1994, p 3)

The case study as a research strategy is frequently designed as an all-encompassing method, one with specific logic and design incorporating several specific approaches to data collection and to data analyses. In this sense, Stoecker argued that the case study is neither a data collection tactic nor merely a research technique/method (Stoecker, 1992) but rather a comprehensive research strategy.

Thus, it is possible and even desirable to employ more than one method/technique in a given case study. Particularly, many case studies include survey research in addition to observation. Case studies have provided, and continue to provide, us with a wealth of material on organisations, but they are often criticized for their lack of measurability and quantitative technique. These deficiencies/characteristics can result in a lack of objectivity, and make it near impossible to scientifically replicate research findings. With respect to replication, case study research is often not helpful in providing useful data or particularly conclusions about a larger set of organizations, even though it may tell us a great deal about the specific organization under study. In this regard, one is never sure if the organization in the case represents an abnormal example due to the small sample of organizations involved.

Comparative Analysis (Survey)

Another field method that is commonly used is that of comparative analysis. Udy (1965, p 678) defines the comparative analysis of organizations as "seeking to establish general principles about organizations from the study of more than one organisation at once." Blau and Schoenherr (1971, p 7) have made the following remark about comparative analysis:

"The comparative approach to the study of organizations... refers... to

systematic comparisons of a large number of organizations designed to

determine how variations in some organizational conditions are associated

with differences in others."

Heydebrand suggests that the quantitative comparative analysis of organizations

allows generation of "empirical and ultimately theoretical generalizations about

the organizational structures and their environments, rather than describing cases

or developing typologies." (Heydebrand, 1973, p 2)

However, comparative analysis, the major methodology of industrial

sociology, presents some problems according to Donald Gerwin. He has pointed

out that with comparative analysis:

"1. Organization or their components are treated as not analyzable wholes.

2. Variables are often treated as if they are conceptually distinct when

they may in fact be interrelated.

3. Because emphasis is on finding patterns, little attention is paid to

designing more appropriate new patterns.

4. Done properly, such a process requires multivariate statistics and

therefore large samples. The data often includes diverse units and

cross-sectional data." (Gerwin, 1979, p 41)

A number of changing circumstances have been studied using the comparative

analysis of organizations. In 1967, Lawrence and Lorsch tried to determine what

kind of organization is most successful in dealing with different environmental condition. Their study took place in three types of industries in the United States. Six firms in the plastic industry, two firms in the container industry, and two firms in the food industry were studied. As a result of their analyses plastic industry was considered an 'innovative' industry, the container industry a 'stable' industry, and the food firms a 'midrange' industry using the comparative approach, the authors were able to apply general classifications to three different types of industries thus allowing for a comparison of them.

Among other useful findings that resulted from the comparative study of these firms was the suggestion that the different environments in which the organization existed affected a number of organizational variables. This included such aspects as differentiation (the extent to which organisations' departments were completely different from each other) and integration (the quality of the cooperation that existed among departments in the firms).

As mentioned earlier the aim of comparative analysis (Survey) is to obtain information from different organizations. The survey questions have to be selected carefully and they should be kept constant through out in order to receive the same results under similar circumstances. "The main emphasis is on fact finding, and if a survey is well structured and piloted, it can be a relatively cheap and quick way of obtaining information." (Bell, 1995, p 11)

Natural Experiment

A third kind of field study is the natural experiment. Using this approach of the researcher observes and perhaps takes measures on an organizational situation before a natural change takes place in the organisation and then observes and/or

136

measures the same variables following the change. Nachmias and Nachmias, (1991), argued that a research study in a natural situation is one in which one or more independent variables are manipulated by the experimenter under as carefully controlled conditions as the situation permits.

For example, let us suppose that we are interested in determining the effect of a change from a centralized organizational structure to a decentralized organizational structure on the number and direction of communications taking place in the organizational hierarchy. We might measure the number and direction of communications taking place in the organization under the old system. Then when a reasonable period of time had passed following a change (in order to allow the organization to return to some sort of equilibrium), we might again measure the number and direction of communications in the hierarchy and then make a comparison of the 'pre' and 'post' situations.

Field Experiment (Ethnographic)

The distinction between the natural experiment and the fourth kind of field study - the field experiment - basically centers on the role of the researcher. In the natural experiment, one merely takes advantage of a natural occurrence to study its effect on some dependent variable. In the field experiment, the researcher is instrumental in causing the manipulation of the independent variable.

The ethnographic style of fieldwork research was developed originally by anthropologists who wish to study a society or some aspects of a society, culture or group in depth. They developed an approach which depends on observation and in some cases, complete or partial integration into the society being studied. (Bell, 1995, p 10)

For example, suppose that a consultant is interested in determining the effect of a certain organizational development programme on the level of coordination between departments in an organization. He might institute the programme in one of his client organizations, and after having measured the level of coordination prior to the introduction of the change, again measure it after the change had been introduced. The distinction in this instance is that the researcher was the one who influenced or introduced the independent variable.

Any of the different field methods that a researcher might choose to use contains the advantages noted earlier; they are realistic and view organizations in their natural setting. There are some overwhelming disadvantages in trying to do field research however, including the difficulty of finding organizations to study, the difficulty of controlling variables that might influence the results, and the usually greater cost involved in a field experiment as opposed to a laboratory experiment.

3.2 Laboratory Studies

An alternative to studying organizations in the field is to study at least portions of the organizational process in the laboratory. There are a number of advantages in doing this. For example, items such as the intervening variable can be much more carefully controlled. In a chapter in the Handbook of Organizations, Karl Weick (1965, p 194, 260) provides a summary of the issues involved in doing laboratory research with organizations. He notes that the increasing number of definitions of organizations that have been generated have provided many lists of organizational characteristics. This allows researchers to break organizations down

138

into their component parts for study in the laboratory making it overall more attractive. However, there also exist drawbacks and other concerns. One major concern about the usefulness of laboratory methods to study organisations has to do with artificiality. Weick feels that artificiality does not reduce the generalizations drawn from the results of a laboratory study to the extent that many people think it does. He believes that critics often confuse problems of novelty and problems of control with the general artificiality issue. Weick believes that "artificiality is a dangerous label to attach to experiments because it focuses attention on the pseudo-issues and suggests self-defeating solutions." (Weick, 1967, p 1, 56)

3.3 Other Methods

Other approaches to study organization is the documentation analysis and diary. 'Document' has been defined as a general term for 'an impression' left by a human being on a physical object (Travers, 1964). The research could involve the use of many different types of source materials such as films, videos, reports, books, journals, etc.

Documents could be either primary or secondary, where the earlier deals with documents of the period under study and the latter deals with the interpretation of the events i.e. history. An important aspect here is the objectivity of the research who has to avoid the bias of the writer of the existing document.

It could be argued that the techniques of document analysis here are mainly the application of common sense. This is partly true, but as you study the sources, you will gradually gain insights and detailed knowledge which will give you a 'higher

common sense' which will in turn permit a fuller appreciation of the worth of the evidence (Barzun and Graff, 1977, p 130).

In addition to document analysis, another method of data gathering is the diary which specifies how the individual spends his time and keeps a record of his activities, the way he spends his day, the decision making process involved and the time when these activities occurred.

One drawback to this approach is the need for two people to keep records that would allow for a useful comparison of the individual events. This could be difficult as one of the keepers may not always have enough activities during the observation period. In addition, Oppenheim argued that the respondent's interest in filling up the diary will cause him to modify the very behaviour we wish him to record. If for instance, he is completing a week's diary of his television viewing behaviour, this may cause him to engage in duty viewing in order to have something to record, or he may view better types of progress in order to create a more foreseeable impression. (Oppenheim, 1966, p 215)

On the other hand the diaries approach can provide a great deal of information which the researcher can use in his analysis of the subject under study.

The idea is to collect reports as to what people do that is particularly effective in contributing to good performance and then to social the incidents in order of difficulty, frequency, and important to the job as a whole. (Bell, 1995, p 106)

3.4 Validity and Reliability

Any serious research has to make sure that its input data is as valid and reliable as possible. Bell (1995) argued that the reliability is the extent to which a test or procedure produces similar results under constant conditions on all occasions. She also notes that the validity of the information is equally important and the researcher should always make sure that an item measures or describes what it is suppose to measure or describe.

3.5 Advantages and Disadvantages

We have seen that both the field studies and laboratory studies have associated costs and benefits. Furthermore, in order to push back the frontiers of organizational knowledge, there is a pressing need to integrate laboratory and field study. As suggested earlier, the kind of methodology used depends somewhat on the nature of the problem being studied and upon the point in the development cycle of that particular theory or bit of knowledge.

One major methodological problem is the fact that many studies have not been replicated in other kinds of organizations. As we cannot currently control all variables that might affect an outcome in a given organization, there is a real need for the replication of experimental results in other settings. The outcome of this process is that the scope for generalization of the results is ultimately enhanced. Regardless of whether the studies are conducted in laboratories or in the field, it is only through the continued study of organizations that our knowledge about them will be increased.

3.6 The Importance of the Study

Industry has certain physical effects on the communities in which it operates. In various ways, the community feels the effects of events and changes that take place in industry and it sometimes seeks to exert influence on these. The processes of adjustment between the needs and attitudes of the society and the behaviour that industry requires of society are not easy to trace; the extent to which one side accommodates to the other is a function of the Public Relations Officer.

The discovery of oil in the United Arab Emirates has led to a profound change in the economic, political and social structure of the country resulting in the transformation of its simple and primitive community into a growing and developing society.

The international oil companies came to UAE with their western style of management and they established local oil companies based on Weberian bureaucratic system in the traditional society of the UAE.

Many studies on the Arab world and UAE in particular are deficient in analysing the significance of the field of petroleum industry and its management style. One reason is the limited duration of the Arab Gulf states in terms of their involvement in world events. Another reason is that until they became oil producers, the states of the Arab world did not capture the attention of the world nor the interest of scholars other than being important strategic places for military purposes during the colonization period.

Studies on the UAE economy meanwhile have received a higher priority, due to the fact that the UAE has achieved major accomplishments in the economic and social fields. The scarcity of written literature on the subject of this thesis is an

obvious fact. Although some studies have been done on the international oil companies, most of their concentration has been on concession agreements, the production of oil and agreements with local national governments, etc. Some scholars have also attempted to study the change in the labour force as a result of the social and economic development.

The lack of available material dealing with the main theme of this thesis, namely, the role of Public Relations in the oil industry, cultural mediation poses a major problem. In fact to the best of the author's knowledge, no such studies exist. As such, this thesis promises to be unique study. This particular topic was primarily chosen to fill up an important lacuna in field of study under examination.

Research Hypothesis

This study is based on Max Weber's definition of bureaucracy as a hierarchy of office holders selected on the basis of technical competence and apply rules in neutral unrealistic manner (i.e. disregard of personal characteristics). At the same time, he has investigated a local Oil Company with a majority Government holding operating within Abu Dhabi which can be characterized as a society based on traditional relations. Using Max Weber's ideal types, these are societies within which a person's position is defined by their social status. There is no separation between an individual and his or her social position (i.e. a king does not have to undergo training and apply for the job). It is difficult to separate the person from the role and decisions are made on the basis of social relations. These characteristics are reinforced by Islamic elements within the culture.

The presented study here focuses on the fact that the field of public relations stands on the boundary and mediates between the two cultures and two

communities, i.e. the community of the oil company and that of the local society. The hypothesis of this study is that the Public Relations Officer must translate between the two cultures. He is an employee and committed to achieving the objectives of the Oil Company, but he is also a member of and participates in the local community and culture. The general task of the research is to assess and highlight the way in which the Public Relations Officer succeeds in converting impersonal objectives into personal relations. In addition, the study seeks to see if the PRO can convert the said objectives by exploiting the ambiguity of traditional relationships e.g. the traditional gift relationship to create personal obligation and achieve the ends of the Company.

The Need for the Study

Many writers have written comprehensive descriptions of the oil industry, its effects on social life, urbanization, etc. Little, however, has appeared about the effects on culture. A search for relevant literature on the main subject of the thesis, 'The Role of Public Relations in the oil industry: Cultural Mediation,' indicated that such source material on this subject is virtually unavailable. It is the aim of this research project to fill this existing gap, specifically with regard to the management style of the oil companies in a traditional society. Most of the studies on the UAE emphasize historical, economic, political, and social aspects. Most of them begin with a history of the region and end with a statement of the gains and achievements of the UAE through the federation. An analysis of the oil management style, the question of whether the western Weberian management hierarchical structure fits into a traditional society, and the role that Public Relations plays in the oil industry have not yet been the subject of any study.

Although Public Relations as a general subject has been written about, most writers have avoided the word Public Relations and used General Relations instead due to the fact that public opinion research in this part of the world is almost non-exist able.

Much of the author's working life has been spent in a local oil company. To begin with, the writer knew little about why the Company took certain decisions, how external pressures affect its members, or what kind of alternatives in the decision-making process were available? This study follows the guideline put forward by Whyte in that, "we must understand organisations if we are to be able to deal with them on personal basis." (Whyte, 1957, p 13-14)

Thesis Outline

This study is divided into ten chapters. Chapter One is a theoretical proposition on traditional culture and modernization. The principles of Weber and others on organisation have been analyzed to examine the composition of modern, bureaucratic culture and its impact on traditional society and to see if it creates an unification which necessitates the interposition of a cultural entrepreneur to mediate between the two cultures. Chapter Two deals with the organizational culture of a modern oil industry. In this chapter, the author demonstrates the organizational culture of a modern multinational economic organisation. A detailed analysis is made of the theoretical model of national organisation adapted from the early model of bureaucratic authority outlined by Max Weber up to the current trend of Post Fordism. Chapter Three examines the general methodology applied in the thesis and points out the difficulties faced and the methods used to overcome such problems. Chapter Four gives a detailed description of the social,

political and economic developments of the United Arab Emirates. The relationships existing within the UAE are analysed using classical anthropological concepts plus Weberian model of traditional authority theory. The social developments with emphasis on person to person, face to face kin-based relationships and with a strong traditional authority pattern are also taken into consideration. The chapter concludes with a discussion on the economic development and the rapid expansion resulting from oil income, the influx of immigrant labour and how these have fitted into traditional society. Continuous emphasis is placed on the important feature of the traditional local society whereby practical problems are often solved on a person to person basis. Chapter Five consists of a descriptive analysis of the organizational culture of the modern oil industry. The example of British Petroleum's organizational procedures and practices is used to describe the industry in general terms. This chapter enables a comparative analysis between the organizational culture of the modern oil industry and the organizational culture of the UAE national Oil Company. The role of the PR activity is emphasized. Chapter Six makes a comparative analysis of Public Relations in a traditional society, i.e. the Emirates and the United Kingdom. Public Relations roles and functions were discussed. This chapter also analyses the limitation of the Weberian approach, i.e. emphasis of public administration, top-down approach and how this model disregard the environment especially the public on the other hand, the development of complex approach will be discussed. The chapter further analyses the multiple transactions, multiplicity of relations and networks. It will conclude with a PR response to complexity and how it works in a traditional society. Chapter Seven is a case study on the seismic survey

programme which led to a confrontation between the traditional and the modernist approaches to achieve the goal and objectives of the local oil company. In this chapter, it is demonstrated demonstrates how a seismic survey was used by fishermen in order to receive an extra income who claimed that they were affected by the work of the Company in the area of their fishing activity. The fishermen used modern as well as traditional techniques to get compensated. Chapter Eight deals with the issues of redundancies which were effected for the first time in the history of a local oil company operating within a traditional society. It continues with a description of how the Company handled the problem smoothly specially with regard to the nationals who by law are not allowed to be terminated. Chapter Nine puts forward an additional case study to demonstrate how a traditional island was transformed to a modern island with the help of the Public Relations of the local Oil Company. In the concluding chapter, the theories are linked to the modern and traditional role of public relations and its theoretical implications i.e. modernization are examined.

3.7 Practical Limitations to Field Research

Having discussed the theoretical approach in the previous section, it is appropriate now to discuss the research methods employed in this study, and the limitations, practical and scientific which resulted. The major source of data for this study derives from approximately four years of fieldwork conducted in the United Arab Emirates and the United Kingdom from 1994 to 1998. Two oil companies were selected for comparative analysis and 25 interviews (10 were formal) were conducted with identified employers in support of the case studies.

The interviews lasted an average of 40 minutes and were conducted mostly in Arabic although some were also conducted in English. In addition to this, the author also interviewed 15 community figures and employees, fishermen, private company employees and recorded ethnographic observations throughout the fieldwork. The particular research methodology applied to achieve the objectives of this dissertation can be summarized as follows:

- *Collection of Data.* Because of the originality of the subject-matter of this thesis there is a virtual dearth of written or published material to fall back upon. The author therefore did not have the advantage of reviewing any previous research which directly relates to this subject. The only printed documents available which provided some useful information on the subject are the official documents of the oil company. Indeed it is only by virtue of his privileged position as Head of PR, that limited access was granted to the minutes of board meetings, written policies and procedures and more importantly proceedings of meetings held between the Public Relations office and representatives of the local community. The data derived from interviews is a primary source, but the objectivity of the respondents is likely less than objective. The respondents were unfamiliar with the concepts of academic research and non-attribution. The author, an official of the oil company after all, was likely to receive an interpretation of events the respondent would like an oil company official to receive. The author has considered this potential bias in his analysis of the data.

- *Personal Experience.* It is worth reiterating that the difficulty of procuring relevant information was to a great extent mitigated by the employment of

the author for twenty years in the particular oil company. As a result, a wealth of personal experience has been acquired by the author over the years from his day to day involvement in the oil industry and from his dealings with the local community vis-a-vis the oil company. However, it is also important to note that there are inherent limitations in the extraction and analysis of data by any individual who attempts to examine his own actions. Certainly the oil company would be less likely to fully disclose its actions on sensitive issues to an outside research activity. Yet, also greater objectivity would have been achieved of the analysis if the analysis of data could have been performed by a researcher less involved in the action. Regrettably, this was not possible.

- *Case Study – Development and Analysis*. Given the nature of the sources available and the personal experiences, the author has chosen three case-studies as the most appropriate method of investigating, analyzing and presenting the main theme of the thesis. The methodology based on case-studies depicting realistic situations, are comparatively more experimental in nature. The three case-studies based on the Delma Island, Redundancy and Seismic Survey, were actual experiences. These brought into focus both the conflict and collaboration between the oil company and a traditional community, and how the Head of Local Relations manipulated the course of events either in favour of the Company or the community according to the exigencies of the situation.

However, five case studies were initially selected for inclusion and following an in-depth discussion, a decision was made to use only the three

case studies mentioned above. The reason why the author has chosen these three case-studies and not others was due to the fact that the selected case studies demonstrated the role of cultural mediation more clearly than the others. Furthermore, one of the case studies not used, would have required additional time and travel between Paris, London and Abu Dhabi. Moreover and importantly, some of the information was considered highly confidential as the case study would have had to deal with a change in the percentage of share in the local Oil Company. The author would of course have preferred to include all five case studies.

Yen (1994), argued that a major insight is to consider multiple cases as one would consider multiple experiments. He added that any use of multiple-case designs should follow a replication, and as such an investigation must choose each case carefully. The cases he argued, should serve in a manner similar to that of the multiple experiment, with similar or contrasting results predicted at the outset of the investigation.

As part of the case-study methodology a questionnaire was designed to solicit the views and opinions of a cross-section of the local community. Personal interviews of several individual members of the community were taken, which threw considerable light on their views on the Company's policies and also gave vent to their grievances against some of the decisions and policies of the oil company. In the ultimate analysis, this information enabled the Head of Local Relations (the author) to mediate between the two cultures and communities. It should be added here that the author is conscious of his ambiguous position of being an employee of the

oil company as well as a member of the local community. Care has been taken to ensure that the study has not been unduly influenced by this reality.

85 questionnaires were returned (from a distribution exceeding 150, about 57%) and a follow-up was made by a teacher in the Island. The teacher was requested to distribute these questionnaires and supervise their completion.

The information collected was found to be applicable over a broad area. The questionnaire used was standard using open ended questions. Responses were easy to compare and count as only a small number of categories were involved.

• *Research Environments.* The researcher cannot exist in isolation, being a product of and dependent at least partially on the culture of institutions and individuals around him, for the accuracy of research. If the researcher employs 'field' research techniques, the accuracy of the research is likely to depend on the extent to which he is allowed access to actual workings of the organisation he has chosen to study. If the researcher employs 'laboratory' techniques he needs suitable materials upon which to perform his analysis.

During the period this research was undertaken as mentioned, the author was both an active participant in traditional Arab society and an employee of the local oil company of Abu Dhabi as Head of Local Relations. This gave the author an insight into the culture of both. What

follows below is a brief discussion of the factors peculiar to both the society of the UAE and the local Oil Company as a research environment.

Additional Research Limitations: The United Arab Emirates

Academic research is relatively new to the United Arab Emirates. The University of the UAE, based in Al Ain, was only established in 1977 and is therefore still relatively young. This fact has considerable implications for research:

The UAE does not possess a democratic political system as the term is understood in the Western world. Political power is allocated according to tradition and hierarchy with a minimum of democratic accountability. When compared to a Western democracy, this has considerable implications for research. Central government has no obligation to offer free access to information for public usage and, as a social norm, it is necessary to treat members of Arab political society with respect and deference.

The paternal nature of the political system within Abu Dhabi means that often no political opposition exists. Interest groups and workers collectives, such as they exist, usually operate on an informal basis. Dispute resolution as a formal process does not exist.

Similarly, there is no tradition of independence within the media. Both newspapers of Abu Dhabi and the main Television stations are dependent upon the state for considerable subsidies. The media, therefore, has a tendency to produce 'official' versions of events limiting its usefulness as a source of secondary material.

In their professional lives, employees in Western society have become used to professional criticism of their roles within organizations. This tradition is still to be established within organizations within the Arab world where even impersonal criticisms and questioning may be misunderstood as personal insults. Therefore research must be undertaken within the restrictions of these societal norms.

Social stratification and culture has also taught the Arab people to respect traditional establishments and hierarchies, thereby, rendering them less likely to question the judgment of social superiors. This made the task of opinion gathering more problematic as many respondents suspected the motives for conducting the research and were inhibited by natural deference to traditional institutions and hierarchies.

Specific Limitations

Two specific examples may be cited at this juncture to illustrate the nature of the difficulties which the author encountered in the course of his investigations. A questionnaire was designed by the author in his capacity as the Head of Local Relations of the oil company to elicit the views and opinions of the inhabitants of Delma Island with regard to the several development projects initiated and implemented by the oil company. At the very outset, even before the questionnaire was distributed, the author had to approach the highest authority for permission. In order to get access to the authorities concerned, he had

to exercise his personal influence and secure the necessary approval for going ahead with the questionnaire. In spite of taking all these troubles, the questionnaire still fell in the hands of certain security circles which could have further forestalled the investigation. Only by the author once again taking recourse to the traditional method of person to person relations, was this issue finally resolved.

On another occasion, when the author needed some population statistics for Delma Island and the UAE from the Ministry of Planning, the information was withheld on grounds of confidentiality. On approaching the Under Secretary and being refused again, the author met the Minister twice who promptly agreed to give all the information if it was to help both his research and the country in the long run. Acting on the instructions of the Minister, the author again approached the Under Secretary, but the latter refused and asked for official written instructions from the Minister. Meanwhile, the Minister insisted that his verbal instructions should be regarded as adequate. In order not to delay the project further, the author approached a personal friend who provided him with all the information confidentially.

In Western legal-rational organizations, it is a common professional practice for all formal communications to be recorded and documented. Western style legal-rational organizations are relatively new to the UAE, and professional culture has been slow to catch up. This poses problems for the researcher as important information is often not

documented or recorded in a satisfactory manner, making the process of research often difficult and time consuming.

Additional Research Limitations: The Local Oil Company

During the period of the research, the author was employed in the local Oil Company. This is a multi-national company run along Western bureaucratic lines of organization. The offices of the local Oil Company acted as the base from which the majority of the research was undertaken. Again, this has implications for the nature of the material recorded.

The local Oil Company has a hierarchical organizational structure and though the author was Head of the Local Relations Department, he was not part of the General Management team. Therefore it was difficult to access some material considered confidential by the General Management, and there were occasional conflicts between the academic and professional roles of the author.

In order to illustrate the difficulty of gaining access to certain materials which are considered confidential by the Oil Company, an example may be cited here which the author experienced in his dealings with British Petroleum (BP). Some information was needed about the organizational structure of the Oil Company which could have easily been procured from BP's London office. Instead, the author thought it would be easier to acquire the material from BP's Abu Dhabi office, but to his utter astonishment, it was discovered that there was a marked difference in the handling of business affairs between BP's Abu

Dhabi and London offices. In spite of the appearance of western-style bureaucratic practices, BP's Abu Dhabi office had adopted many of the methods of business dealings of the Arab world whereby all relevant information is kept confidential.

3.8 Selected Research Method – Practical Compromise

When the research idea was first noted, there was a long discussion with various groups of people including some friends at work and outside of work in addition to this study's supervisor at the University. A number of clear steps were laid down for the development of the research strategies which forced the author to go through a process of adjustment while undertaking parts of the research itself.

The research methods applied throughout this research represent a combination of field work in which, the author being a member of the community under study, spent a longer period of time with the groups involved in this research, and survey research, which involved sending and administering questions to certain groups. Other methods used included the use library material, discussions as well as documentary research and the diary approach.

As each of the various methods of the research process contains limitations with certain methods suiting a particular situation more than the other one in any given situation, the author decided to combine the types of applications listed in this chapter. As a result, here under are some advantages and disadvantages:

- *Advantages*. A great deal of valuable information which was collected by the author about the social life made it possible for him to better

understand the actions of its members than would have been the case had the author been an outsider.

It was found out, it is easy to adjust to the circumstances and follow other levels as in the situation of the case study on the Delma Island when the problem of data collection had to be faced.

- *Disadvantages.* The field study depends on the skills of the researcher as only a small group can be studied. If the researcher does not have the ability to collect data, it poses a serious problem. Another disadvantage was that unless careful, it is easy to lose the perspective of an outsider observer.

3.9 Conclusion

This chapter has discussed the different forms of methodological approaches available as tools for organizational research. This has been supplemented with a discussion of the author's personal position both as an active member of a traditional society and as an employee of a modern legal-rational organization.

The main method of research used in this paper has been that of the case study using the local oil company organisation as a base. Thus, it inevitably follows that many of the cases documented have involved actions of colleagues with whom the author has been personally involved over a number of years. While the author has attempted to be dispassionate in the analysis of all situations despite his twenty years of service, the slightest semblance of bias if there is any, should be viewed as totally unintentional.

The author feels that his position as an employee of the local Oil Company has been an advantage in terms of gathering information. Unlike the fledgling Arab research institutions referred to earlier in the chapter, the local oil company's employees are under instruction to document all official business. Therefore, the author has been in a privileged position in terms of access to information. On the other hand, the immaturity of the political culture in the UAE, and the long-standing tradition of deference to social superiors made the process of gathering material a difficult task.

Whilst most of the different research methodologies discussed in this Chapter have been employed at some point during the thesis, the majority of the original research (Chapters 7, 8 and 9) have been conducted along the lines of a case study. This is because the case study format is the one considered most suitable for the particular object of the thesis - namely the conflicts caused by the imposition of a modern legal-rational bureaucracy upon a traditional society and the use of Public Relations as a mediator between the two cultures. Comparative analysis was considered unsuitable as the objective here is not to compare to similar organizations. The application of field and natural experiment methodologies was also identified as generally unsuitable as it was not the intent of the author to examine organizational change.

The case study was found to be the method which maximized the advantages of the author's professional and social position. This included a wealth of personal experience of the issues involved and direct access to the individuals and factual information that was needed to collate an accurate piece of research. The reader was also advised that the data collection involved political and cultural difficulties

beyond that normally associated with and inherent in the task of research and

information gathering.

CHAPTER 4

The Emirates: The Modernization of a Traditional Society

4. Introduction

This chapter provides an overview of the geography and historical legacy of the United Arab Emirates. It also examines the evolution of the political system in the UAE since independence in 1971, and more importantly, the socio-economic consequences of the discovery of oil and the rapid modernization that followed in its wake. The above developments will be analyzed vis-a-vis the Arab-Islamic cultural ethos of the Arab world in general, and of the UAE in particular. This analysis will provide the context for the subsequent examination of the role of public relations in the oil industry of the UAE, and of the dichotomy of a western-type bureaucratic organization functioning within the traditional cultural framework.

4.1 CONTEXT

Land and People

The United Arab Emirates is located in the eastern part of the Arabian Peninsula, astride the Tropic of Cancer, between 22°50'N – 26°N and 51°E – 56°25'E. Its Gulf coastline of approximately 430 miles is more than 40 percent of the total on the Arab side of the Gulf.

A portion of the territory belonging to the UAE divides the Sultanate of Oman, giving the UAE a coastline of about 60 miles on the Gulf of Oman. Thus, the

country forms a land bridge between the two bodies of water just south of the strategic Strait of Hormuz, which Oman commands from the tip of the Musandam Peninsula. The UAE shares land borders with Saudi Arabia on the northwest, west, south, and southeast and with Oman on the southeast and northeast.

Geographical Regions

The UAE may be broadly divided into four contrasting geographical regions:

- the coast and the coastal plain which merges into
- the interior desert
- the upland plains
- the rugged mountains

A more picturesque way of dividing the UAE is based on an anatomical metaphor in which the mountains called hajar ("rock") divide the UAE into the dhahira ("back") and batina ("belly"), i.e. the broad Gulf and narrow Gulf of Oman littorals. Although the division between the upper and lower Gulf is somewhat inexact, Bahrain, Qatar, and the UAE are generally described as the states of the lower gulf.

Climate

There is a division between winter and summer. The winter extends from November through April and is generally pleasant, with temperatures varying between 68° and 95° Fahrenheit at midday. Evening temperatures at the time of year may dip as low as 48° Fahrenheit. Winter is the season in which the UAE receives its scanty rainfall, although rainfall varies considerably in different parts of the Emirates.

Summer, on the other hand, which extends from May to October, has earned a just notoriety for its extreme discomfort. In the dry desert interior, midday temperatures in the hot season are commonly 120°Fahrenheit or more. Along the coast average mid-summer highs are a few degrees cooler but, accompanied by an oppressively high humidity, making the worst August days in Washington D.C., benign by comparison. A fairly steady offshore breeze assuages the harshness of the summer climate, but only slightly.

4.2 History

The Historical Background - The Ancient Past

The United Arab Emirates is a recent political creation. It was established as a nation in December 1971 with the formation of the federation, comprising the seven Emirates of Abu Dhabi, Dubai, Sharjah, Ras Al Khaimah, Fujairah, Ajman and Umm Al Quwain. A few months earlier in the same year, the states of Qatar and Bahrain had been formed. Thus the potential map of the Gulf area took its present shape. Although the appearance of the independent states of Kuwait, Qatar, Bahrain and the UAE is considered a new event, the origins of these political entities can be traced back to the beginning of the 18th century. Their people are descendants of the maritime tribal groups from the Arabian peninsula; whose traditions can be traced back in history to about 5000 BC.

"This area was one of the earliest seats of civilization in the Middle East

and the earliest large-scale archeological remains that have been

162

excavated date back to around 5000 BC to 3100 BC." (UAE Year Book, 1996, p 228)

In the 19th century, a rough outline of the different Emirates, corresponding to the territories placed under the authority of the main rulers became evident for the first time. In 1761, the Bani Yas who had already occupied Buraimi, Al Ain and Liwa had founded Abu Dhabi; in 1833, Sheikh Khalifa, great grandfather of Sheikh Zayed, the present President of the United Arab Emirates, became the ruler of the Emirate of Abu Dhabi. At that time this Emirate included Dubai, but, soon after, Dubai became an independent Emirate under the control of the Al Bu Falasah tribe. Ajman and Umm Al Quwain had already defined their own boundaries by 1804. Fujairah, Ras Al Khaimah and Sharjah did so at the start of the 20th century. The only economic activities of these Emirates during that period were fishing, agriculture, dhow construction and pearl diving. Pearls were in great demand all over the world. Two thousand people worked in the pearl trade, and Abu Dhabi had the biggest pearl fleet (400 boats).

"While fishing and pearling were the main occupations of the coastal Arab, the Bedouins in the desert were engaged in agriculture in date-palm plantations. Dates were the main item of food for the people while the leaves and branches of the palm trees were used for building their houses."
(M. Gobash, 1996, p 22)

The pearl industry was at its height in the period preceding the outbreak of World War I. Unfortunately, the world economic crisis of 1929 and the discovery of cultured pearls in Japan, almost simultaneously, struck a fatal blow to the Gulf pearls. But the market regained its buoyancy thereafter and continued to flourish until the outbreak of World War II.

"After the end of the war, various developments led to the decline of the industry as oil replaced pearls as the country's principal source of income." (Al Otaiba, 1977, p 13)

The Emirates experienced great poverty and there were high levels of emigration in the 1950s. However the discovery of oil in the neighbouring Emirates of Kuwait and Bahrain in the 1950s raised new hopes at that time.

In 1968, Great Britain announced its decision to withdraw from the Gulf.

"Their departure marked the most fundamental change in the Gulf since World War II and meant the end of the security system that had operated in the area for over a century." (Yergin, 1993, p 566)

Negotiations took place between the seven Emirates, Bahrain and Qatar on the future of the Gulf states. In December 1971 Abu Dhabi, Dubai, Sharjah, Umm Al Quwain, Ajman, Fujairah and Ras Al Khaimah (in 1972) formed the federation of the United Arab Emirates under the Presidency of His Highness Sheikh Zayed bin

Sultan al Nahyan, Ruler of Abu Dhabi. He was a prime mover of the federation together with the Sheikh Rashid bin Saeed Al Maktoum, sovereign of Dubai.

Even though all the seven member Emirates of the UAE trace their political systems back to separate tribal or dynastic roots, the union was possible because these tribes or dynasties are nonetheless part of one shared heritage. Commonality of the cultural milieu is a contextual factor that can render a more conductive atmosphere for integration. The geographical area supports inhabitants who share the same cultural orientation, whether in their traditional practices, religious affiliation, common language, historical experiences, future aspirations, life-style, or even ethnic make-up.

It is easy to identify a traditional society, but not so easy to define it. Rao (1961), argued that the tradition means habits, customs, attitudes, ways of life which get embodied in institutions and then tend to become fixed because of the stability and autonomous existence of these institutions. Thus tradition implies age and a fairly long period of continuity. The Arabs have a common historical and cultural tradition, a common language (Arabic), a national identity and a common faith (Islam), though there are Christian Arabs in some parts of Lebanon, Palestine, Jordan and Iraq. But it should also be pointed out that an Arab is a complex identity which varies between different Arab countries and over time. The Arab world according to Lesch, can be viewed as "one distinct entity" if one takes into account such factors as historical, geographical and cultural homogeneity and unity of language. Lesch adds further that 45 per cent of the population in the Arab world are Muslims who are predominantly Sunnis. (Lesch, 1995, p 11)

The three main basic elements constituting traditional Arab society are - the tribe, the family and Islam. (Al Jowlani, 1993, p 23)

The Tribe

Tribalism, which predates Islam, is a feature of human existence in the Arabian Peninsula. The tribe has traditionally served as a cultural and ethnic frame of reference for the individual tribesman. It has further provided him with a sense of identity and physical security against a characteristically hostile environment. In the past, tribes of varying sizes and status roamed the desert spaces of Eastern Arabia in search of pasture, depending on the erratic and unpredictable behaviour of natural precipitation from year to year.

"The tribesmen are dependent on one another in their ceaseless struggle with a harsh environment and their need for defence against enemies."
(Henderson, 1993, p 38)

This pursuit was all too vital since rain, when it fell, gave rise to the sort of life upon which nomads sustained their animals, the mainstay of a traditional tribal economy. The encounter of many of these tribes with the sea to the east during the seventeenth and eighteenth centuries led to the gradual rise of a more settled life along the gulf coast, characterized by new modes of economic activity such as trading, fishing, pearling, and subsistence agriculture. In addition, a number of city-states emerged based on dominant tribes. Later on, the discovery and exploration of oil in the area was to give the greatest impetus for the development of what Nakhleh, (1976), has referred to as 'urban tribalism.'

A number of forces have contributed to the crystallization of the Arab's cultural traits. (Yaser, 1995, p 133) The most important of these, is the value system of the nomadic Bedouin tribes of the Arabian Peninsula which are a faithful reflection of the aridity of their desert habitat.

Tribalism developed certain characteristics that are functional in the physical, cultural and political nature of environment within which they work. A tough communal lifestyle forged a distinctive character and a set of values. The main elements of this value system are loyalty, solidarity, honour, pride in belonging to one's race, hospitality and deep respect for religion. Each person belonged to a tribe whose members were seen as being the offspring of a common ancestor. They were, therefore, extremely loyal to one another and it was expected that they helped each other. Honour plays an important part in the Arab's life along with a tremendous sense of pride at both the personal and national level. The legendary Arab hospitality has its roots in nomadic bedouin lifestyle and can be traced back to pre-Islamic times. An Arab displays a strong attachment to his language, for religious and nationalistic reasons.

"There is evidence that many characteristics of tribal organisation pre-date Islam. Even the language has hardly changed." (Henderson, 1993, p 37)

Among other traditional aspects of tribalism particularly in eastern Arabia is geographical mobility induced by the need to survive in a harsh natural environment. In view of the scarcity of resources, the quest for survival often led

to violence, which is yet another characteristic of tribal life in the area. Disputes among tribal states, or between the tribes within them, arose over issues such as access to and control over grazing lands and water holes, trade, fishing and pearling rights, and, more recently, with the coming of the oil era, over territorial jurisdictions.

Tribal organization tends to be segmental. The smallest units are the extended families, which in turn are grouped into sections, clans and tribes, and sometimes the tribes are grouped into confederations. The formation of confederations is however related to specific political conditions like external threat and the need for security. The numerically superior tribe in a tribal confederation provided the ruling family, from which the semi-hereditary ruler was chosen as the paternalistic ruler of the state, and the paramount tribal chief to whom other tribal heads in the state looked for support in exchange of loyalty. Tribal authority is traditionally entrusted to a tribal chief chosen by the elders on the basis of the venerated qualities of hospitality, bravery and honesty.

"Authority will be called traditional if legitimacy is claimed for it and believed in by virtue of the sanctity of age-old rules and powers." (Weber, 1964, p 226)

Political authority was vested in the tribal paramount chief who though theoretically bound by no limit except as dictated by the Quran, had to incorporate principles of the 'Shura,' i.e. consultation with the tribal elders, religious leaders and sub-chiefs to keep the balance. Furthermore, as Hopward put it;

"reciprocal reinforcement on the side both of ruler and kinsmen which

determined relative authority was based on size of family, degree of kinship,

size and relationship of the generations, force of character, personal ties,

vague or specific treats of deposition and almost institutionalized

liquidation. " (Hopwood, 1972, p 199)

Loyalty of a tribesman has traditionally resided in the family, then in the tribe,

and finally the super tribal body, confederation and state. What is important here

is that in the case of the latter, loyalty was often granted the ruler as a person, not

to his position of leadership, not to the territorial framework called the state.

Political authority in this tribal setting was highly personalized. The sovereign

is located at the centre of the political system where he is surrounded by advisors,

ministers, military leaders and personal secretaries, who all voluntarily share

personal loyalty to the leader.

This corresponds to Weber's analysis of traditional authority: "The masters are

designated according to traditional rules and are obeyed because of their

traditional status." (Weber, 1978, p 226) Weber argues, "This type of organized

rule is, in the simplest case, primarily based on personal loyalty which results

from common upbringing." (Weber, 1978, p 227) In this type of political system,

according to Weber the typical administration staff is recruited from one or more

of the following:

"1. From persons who are already related to the chief by traditional ties of

loyalty

or

2. Recruitment may be extra-patriarchal including,

    a. Person in a relation of purely personal loyalty such as all sorts of 'favourites'

    b. Persons standing in relation of fealty to their lord and

    c. Freeman who voluntarily enter into a relation of personal loyalty as official." (Weber, 1964, p 226-228)

Paternalism

The ruling family is the cornerstone of the political power structure in the gulf's small littoral states. Its evolution around prominent tribal chiefs took place gradually as the mode of life changed from nomadic to sedentary in 19-20th centuries. As the economic dominance of such families increased with increasing oil royalties, their character began to change more and more. In each of the seven member Emirates of the UAE, the ruling family belongs to the most prominent clan of the most powerful tribe in the Emirate. Its overriding function is to elect a ruler who, once elected, becomes not only the ruler of the Emirate but the head of the ruling family and the paramount tribal chief.

This triple role has traditionally made these individuals the centre of political influence and the source of political authority in the Emirate. In addition, sovereignty has to these rulers nearly the same meaning it had to the 'absolute' monarchs of post-Renaissance Europe insofar as it resided in the person of the ruler himself, not in the state in an abstract sense. However, in view of the highly regarded rule by religious law and tribal customs, along with the time-honoured

practice of consultation, this system can hardly be described as dictatorial in the classical sense. Instead, it represents a brand of authoritarianism, paternalism, and conservatism that characteristically "allows the exaltation of a privileged few (with no) significant procedure of control by the governed." (Sadik and Snavely, 1972, p 123)

The elite go about choosing this 'privileged few' according to a delicate formula that takes into consideration the whole question of intertribal and inter-clan politics and balance within the Emirate and beyond. With personal relationship to the ruler as the principal factor, important positions in the government are usually assigned to leading members of the ruling family. In addition, influential members of the non ruling families in the same tribe, prominent members of other leading tribes in the Emirate, influential merchants, Mullas ('religious scholars'), and a select group of expatriates are likely to be on the top of the list for possible recruitment to less influential posts in a typical shaikhly administration.

Except in a handful of cases, birth into a ruling family is generally a precondition for the attainment of the highest positions of power. This type of ascriptive elitism has substantially narrowed the base of the power structure and restricted meaningful political participation to the few at the top of the social scale. As Anthony summed up the situation in the mid-1970s:

"political power in the Sheikdoms continues to be wielded mainly at the top by an assorted coterie of cousins, sons, brothers and uncles of semi-hereditary tribal rulers. In the meantime, those interest groups that do

171

exist - the ruling families, other families of the ruling tribes, important non

ruling tribes, influential merchants, venerated religious leaders and

selected representatives among the community of expatriate advisors -

appear content with, and have positive interests in the survival of, shaikhly

rule." (Anthony, 1975, p 220)

While still in power, most sheikhs usually prepare the way for a smooth

succession by designating a son, usually the eldest, as the heir apparent. This is

normally accomplished by a behind-the-scene process of give and take not unlike

that which accompanied the accession of the ruler himself.

In cases where a ruler has no male offspring, or if a son has not as yet reached

maturity, a relative, close or distant, is usually appointed as a deputy ruler.

However if the Ruler dies unexpectedly then deals may fall apart creating a power

vacuum and political instability.

Thus the political systems in the lower gulf are elitist in the sense that the

power base in these systems is extremely narrow. Only a few groups of mostly

consanguineously related individuals determine choices and make vital decisions

with far-reaching effects.

The existence of a common culture seems to have molded the political culture

of these elites in a certain way. Their political ideology and outlook are similar.

They share similar views on the locally cherished political values of conservatism,

preservation of the status quo of traditional rule, security, economic freedom, and

the like. In sum, traditional elites in the lower gulf tend to reflect similar self-

images and values from which a common interest in the preservation of a

traditional brand of rule emerges. Such ideological compatibility among these elites may well help create the sort of political atmosphere most conducive to the type of integration with which we have been dealing.

It should be pointed out in this context that the above cultural traits vary from country to country and from one locality to another within the same country. In the tradition-oriented societies of Saudi Arabia, UAE, Kuwait, Oman, Yemen and other Gulf states, the influence of ancient Bedouin customs remain strong. Whereas in more westernized societies such as in Egypt, Lebanon and Syria certain aspects of these traits are showing some signs of weakness.

In the society of the UAE, which forms the focus of this study, custom remains. Islam and tribal customs, which in many respects predate Islam but were modified by it, provide the body of rules or tribal laws which governed the life of every individual in both its religious and secular aspects.

In the Emirates, as throughout Arabia, the basic political units of traditional society were the tribes. Among the main tribal groups to settle in the Emirates were: the Bani Yas, Manasir, Al Awamer and Al Doher in Al Ain; Liwa and in 1761, in Abu Dhabi; the Al Bu Falasah a branch of the Bani Yas in Dubai; the Qaneasim in Ras Al Khaimah; and the Sharqiyin on the coast of the Indian Ocean. The relative strength of each tribe waxed and waned depending on the quality of its leadership and economic and other circumstances. The relationship between nomadic and settled populations was not, as it is often portrayed, one of continuous conflict, but rather a complex, symbiotic set of dynamic links. Indeed, tribes frequently shifted from a nomadic to a sedentary mode of existence, engaging in agricultural or maritime pursuits, or both and then reverting to

nomadic living. Various forms of cooperation and conflict determined the way in which scarce economic resources were distributed among the tribes. The situation was highly fluid, and there were frequent changes in tribal fortunes.

The interposition of British forces and diplomacy in the lower gulf beginning in the early nineteenth century essentially froze the balance of power between tribes and tribal confederations, although minor conflicts continued to occur among them even after UAE's independence. Fixed territorial boundaries have now replaced the traditional dirah, the elastic concept of an area which a tribe dominated.

To the extent that tribalism continues to be a fact of life in Eastern Arabia, it impedes the full integration of the Emirates in a number of ways. First, tribalism is by its very nature factionalistic and divisive. It encourages a sense of mobile parochialism and ethnic (lineal) exclusiveness. Second, as pointed out earlier, loyalty along tribesmen is primarily and firmly a family and tribal preserve. At the state level, it becomes both personal and elusive. Indeed, it is on this level that incidents of loyalty shifts, whether or not accompanied by tribal fights, are most common. In the past, these loyalty shifts were often accomplished in a manner tantamount to commodity transactions, with tribes moving on to the highest bidder in the best bargain tradition. Currently, although the breakdown of the traditional tribal structure may have already been overshadowed by the emergence of the modern state, political loyalty to one's tribe has not as yet given way to loyalty to the state as an abstract political concept.

Within the UAE, there is even less identification with the overall union. Such identification will not only have to await the outcome of a rigorous and lengthy

process of education, but will, in addition, largely depend on developments at the top of the federal structure as it shifts between change and stagnation.

Third, tribalism is by nature aversive to any outside central authority. This traditional rejection of control from above is an outgrowth of the tribal tradition of mobility in pursuit of desert sources of life wherever available. Finally, tribal history in Eastern Arabia is replete with incidents of violence of varying magnitude. Against this background of conflicts, rivalries, both personal and dynastic, have often been significant factors. Although this pattern of violence is now virtually a thing of the past, its impact on the interaction among top political elites of these tribal political units still lingers. Kelly, a British commentator on Eastern Arabia described the situation in the following way:

> *"The concept of territorial sovereignty in the Western sense did not exist in Eastern Arabia. A ruler exercised jurisdiction over a territory by virtue of his jurisdiction over the tribes inhabiting it. They, in turn, owed loyalty to him and not to the sheikdom, Emirate or sultanate in which they dwelt. Political allegiance to a territorial unit, such as implicit in the European state system, is unknown to the Arabian tribesman. His loyalty is personal to his tribe, his sheikh, or a leader of greater consequence, and not to any abstract image of the state."* (Kelly, 1964, p 18)

With the development of new forms of economic enterprises, especially the oil industry, many tribesmen sought employment with oil companies in Abu Dhabi when exploration and production began, and considerable numbers have since

found jobs in construction and various service industries. The government has settled most of the nomadic and semi-nomadic tribesmen. In the present situation, the younger members of the tribes are hardly acquainted with traditional modes of production such as date cultivation, etc.

The numbers of people who still have an emotional and/or social allegiance to a tribe have, in almost all cases, considerably diminished since the turn of the century. Yet the government continues to be concerned with maintaining positive relations with the tribes, suggesting their continuing importance even in a rapidly urbanizing culture. Continuity with forms of past authority helps to promote stability in the UAE, especially as personnel of the military and security forces are drawn largely from the tribes.

The Family

If tribes still play an important role in establishing identity and determining the structure of authority particularly in the Gulf countries, the extended family remains the strongest and most cohesive social unit. Among the diverse, autonomous entities that interact in the mosaic of traditional Middle Eastern Islamic society, 'family' was and remains the most stable and unchanging.

"In most societies today, extended families are still the norm, and traditional family practices continue." (Giddens, 1996, p 143)

Its nature is defined by characteristics preserved in many cases from pre-Islamic times and reflected in and codified by the body of Islamic personal law in the Sharia.

Thus, for example, the family has continued to form a single economic unit, a fact of great social significance because the family's economic base reinforces the unity and independence of the family as a social unit. Still more important is the family's capacity, both past and present, to preserve its essential immunity from government influence and intervention. The family is still the one refuge where an individual can feel secure and within whose confines most of the activities of men and women, apart from education and work, take place. The life of the family remains extremely private.

Although these observations about the family are true even for secularized Arab societies, they pertain especially to the traditional peninsular societies. In the UAE, the extended family under the leadership of the oldest male, remains intact. Marriages continue to be carefully arranged within a small social grouping wherein a young man marrying his father's brother's daughter continues to be the ideal. In a way, for members of Western society, who accept an individualist ideology, it is difficult to understand the concept of the individual being subordinate to the family - the basis of collective family 'shame' as opposed to individual 'guilt' culture. Sin in Western Christian society is essentially an issue of private conscience, whereas in Islam, behaviour contrary to moral norms is still a matter of collective concern, bringing shame to the family of the sinful individual. In effect, what is immoral is also illegal; the law that governs society is religious law, and immoral behaviour is punishable by legal sanction. Whatever erosion may have occurred in certain social values, this basic reality remains unaltered. Children returning from prolonged exposure to the intellectual sophistication of Western universities and the social atomisation of Western

society go back almost unfailingly to their families and remain obedient to the wishes of elders who almost universally lack formal education. A survey carried out by the author whereby twenty graduates were interviewed showed that 41 per cent were still living with their extended families. Four per cent of the 41 per cent who came from prosperous backgrounds had extra family quarters added to the villa complexes which they shared with the other family members.

Islam

Perhaps even more important is the role of religion. Islam and a common Arab identity are strong unifying elements, which can counteract the separatism of the tribes. Islam provides both the essential explanation of the meaning of individual and collective existence and serves as the stable foundation of society. Islam provides the framework of existence for all in the community as well as the essence of moral and spiritual authority. In contrast to religion as generally practiced in the modern secular West, the application of the Sharia, the body of Islamic law, is intended not merely to enjoin correct behaviour preparatory to the afterlife, but to define and regulate state and society on earth. Even though the theoretical unity of state and religion has, from earliest times in Islamic history, yielded in practice to a division between political leaders and religious leaders, the ideal has continued to shape perceptions and behaviour.

The role of Islam in state and society is thus reflected in the several types of formal status accorded to it, and it played a vital role in structuring the social and political life of the region. It is not surprising therefore, that some thirteen hundred and fifty years (fourteen centuries according to the Islamic lunar calendar) after its

advent, Islam remains the most important formative and cultural influence in the Arab society.

According to Article 7 of UAE Constitution, Islam is the official religion of the country and Islamic rules and regulations are the basis of its laws and by-laws. The UAE, which forms the focus of the present study, is seen as a relatively conservative Muslim country in which Islam and tribal customs predating Islam but modified by it, provide the rules, and are powerful factors in shaping its political, social and cultural life.

"The life of every individual in both its religious and secular aspects is governed by Islam and tribal laws." (Levy, 1965, p 242)

Islam is recognized as the official and established religion of the UAE in the provisional constitution, which also acknowledges the Sharia as a principal source of legislation. Because the federal court system outlined in the constitution is not yet established, the traditional religious judges, or qadis, have retained principal responsibility for the administration of justice. At the federal level the formal connections between religion and justice are symbolised in the grouping of matters relating to justice, religious affairs, and religious endowments (or awqaf) in a single ministry.

Although the continuing observance of Islamic norms suggests the strength of traditional values, the scope and speed of modernization reveal Islam's general flexibility toward various kinds of change. As Magnus notes:

"The centrality of the revelation of Islam puts all subsequent 'facts' of

social change into a very subordinate position so that when changes do

appear, they are seen as divine manifestations of God's will and are thus

accommodated into existing patterns." (Magnus, 1980, p 373)

Thus, Islam should not be regarded as antithetical to the development process. For example, the conservative Hanbali school, paradoxically permits particularly wide scope for innovation because its "strict constructionist" approach defines with narrow precision the sources of the Sharia, thereby granting greater latitude to exercise of independent judicial judgment.

For the present and the near future, however, Islam remains the dominant single influence in the society and culture of the UAE.

4.3 Politics

The Political System

A study of the evolution of the political system in the UAE illustrates in a striking manner the strength and resistance of the basic elements of traditional society - Islam, the tribe and the family which continue to shape the society and culture of the UAE.

The political system of the United Arab Emirates is a unique combination of the traditional and the modern. It offers an interesting study of the way in which it is possible for a country to move forward with the mechanics of a modern administrative structure while, at the same time, ensuring that the best of the traditions of the past are maintained, adapted and preserved.

Trucial States

During the period when British were directly involved in the region, the traditional structures of governance that were in place at the beginning of the nineteenth century were gradually modified according to the changing conditions, and in accordance with the wishes of the rulers and the people.

To some extent, indeed, the relationship of Britain with the Emirates, apart from matters of foreign affairs and defence, can best be described as one of benign neglect. Until the mid-1950s, scant attention was paid by the British to the economic development of the country, and even then, it was the rulers themselves who took the initiative in creating a modern infrastructure.

Following the British announcement, in early 1968, that they would be terminating their agreements with the Trucial States by the end of 1971, the rulers of the seven Emirates met to discuss the form of government for their new federal state. They deliberately chose not to copy from others. Instead, they decided to work towards a society that would offer the best of modern administration, while at the same time retaining the traditional forms of government. This solution, with the inherent commitment to consensus, discussion and direct democracy, offered the best features of the past.

Federal Constitution

At the time, the country's population was a mere 180,000 in an area of 83,600 square kilometers. There were, however, substantial differences between the individual Emirates, in terms of size, population, economic resources and degree of development.

The larger Emirates of Abu Dhabi and Dubai were already oil exporters, and the process of economic development was well under way. At the other end of the scale, Ajman, the smallest Emirate, had an area of only 260 square kilometres, whilst the east coast Emirate of Fujairah, with only a few tens of thousands of inhabitants, was not even connected by a proper road through the mountains to the rest of the country.

The rulers agreed that each of them would be a member of a Supreme Council of Rulers, which became the top policy-making body in the new state. They agreed also that they would elect a president and a vice-president from amongst their number, to serve for a five-year term of office. The ruler of Abu Dhabi, Sheikh Zayed bin Sultan al Nahyan, was elected as the first President, a post to which he has been re-elected at successive five-year intervals, while the Ruler of Dubai, Sheikh Rashid bin Saeed al Maktoum, was elected as first Vice President, a post he continued to hold until his death in 1990, at which point his eldest son and heir, Sheikh Maktoum bin Rashid al Maktoum, was elected to succeed him.

Each of the components of the federation, officially entitled Dawlat al Imarat al Arabiyya al Muttahida (States of the United Arab Emirates), had its own existing institutions of government, and to provide for the effective governing of the new state, the Rulers agreed to draw up a federal constitution which specified those powers which were to be allocated to the federal institutions, all others remaining the prerogative of the individual Emirates.

Assigned to the federal authorities, under Articles 120 and 121 of the Constitution, were the areas of responsibility for foreign affairs, security and defence, nationality and immigration issues, education, public health, currency,

postal, telephone and other communication services, air traffic control and licensing of aircraft and a number of other topics specifically prescribed, including labour relations, banking, delimitation of territorial waters and extradition of criminals.

In parallel, the Constitution also stated in Article 116 that "the Emirates shall exercise all powers not assigned to the Federation by this Constitution." This was reaffirmed in Article 122, which stated that "the Emirates shall have jurisdiction in all matters not assigned to the exclusive jurisdiction of the Federation, in accordance with the provision of the preceding two Articles."

Besides the Supreme Council of Rulers, the system of government of the Federation also includes a Cabinet, or Council of Ministers, a parliamentary body, the Federal National Council, and an independent judiciary, at the peak of which is the Federal Supreme Court.

The Cabinet, described in the Constitution as "the executive authority" for the Federation, includes the usual complement of ministerial portfolios, and is headed by a Prime Minister, chosen by the President in consultation with his colleagues on the Supreme Council. The Prime Minister, currently the Vice President, then selects the Ministers, who may be drawn from any of the federation's component Emirates, although, naturally, the more populous Emirates have generally provided more members of each Cabinet.

"However, it should also be borne in mind that under traditionalist domination it is very common for the most important posts to be filled with members of the ruling family or class." (Weber, 1978, p 228)

The Federal National Council has forty members drawn from the Emirates on the basis of their population, with eight for each of Abu Dhabi and Dubai, six each for Sharjah and Ras Al Khaimah, and four each for Fujairah, Umm Al Qaiwain and Ajman. Presided over by a Speaker, or either of two Deputy Speakers elected from amongst their number, the FNC is responsible under the Constitution for examining, and, if it wishes, amending, all proposed federal legislation, and is also empowered to summon and to question any Federal Minister regarding Ministry performance.

The federal judiciary, guaranteed its independence under the Constitution, includes the Federal Supreme Court and Courts of First Instance.

Local Government

Parallel to, and, on occasion, interlocking with, the federal institutions, each of the seven Emirates also has its own local Government. Although all have expanded significantly as a result of the country's growth in the last quarter of a century, these differ in size and complexity from Emirate to Emirate, depending on a variety of factors such as population, area, and degree of development.

Thus the largest and most populous Emirate, Abu Dhabi, has its own central governing organ, the Executive Council, chaired by the Crown Prince, Sheikh Khalifa bin Zayed al Nahyan, and is divided into two regions, the Eastern and Western, both headed by an official with the title of Ruler's Representative. There is also a Ruler's Representative on the important oil terminal island of Das.

The main cities, Abu Dhabi and Al Ain, the latter also the capital of the Eastern Region, are administered by Municipalities. Each of these have a nominated Municipal Council. The National Consultative Council, chaired by a

Speaker, and with sixty members drawn from among the Emirate's main tribes and families, undertakes a role similar to that of the FNC on a country-wide level, questioning officials and examining and endorsing local legislation. It is also a source of vocal suggestion for the introduction or revision of federal legislation.

Administration in the Emirate is implemented by a number of local departments, covering topics such as public works, water and electricity, finance, customs and management. Some have a responsibility for the whole of the Emirate, although in certain spheres, such as water and electricity, there are also departments covering only the Eastern Region.

A similar pattern of municipalities and departments can be found in each of the other Emirates, while Sharjah, with its three enclaves on the country's east coast, has also adopted the practice of devolving some authority on a local basis, with branches in both Kalba and Khor Fakkan of the Sharjah Emiri Diwan (Court), headed by deputy chairmen.

In smaller or remoter settlements, the ruler and government of each Emirate may choose a local representative, an emir or wali, to act as a conduit through which the concerns of inhabitants may be directed to government. In most cases, these are the leading local tribal figures, whose influence and authority derives both from their fellow tribesmen and from the confidence placed in them by the ruler, an example of the way in which local leaders within the traditional system have become involved with, and lend legitimacy to, the new structures of government.

Relationship between Federal and Local Governments

The powers of the various federal institutions and their relationship with the separate institutions in each Emirate, laid down in the constitution, have evolved and changed since the establishment of the state. Under the terms of the Constitution, rulers may, if they wish, relinquish certain areas of authority prescribed as being the responsibility of individual Emirates to the federal government. One significant such decision was the decision to unify the armed forces in the mid-1970s. The 1971 Constitution also permitted each Emirate to retain or to take up membership in the Organisation of Petroleum Exporting Countries and the Organisation of Arab Petroleum Exporting Countries. None have done so; the only Emirate to be a member in 1971, Abu Dhabi, having chosen to relinquish its memberships in favour of the federation.

Over the course of the twenty-five plus years since the federation was established, the United Arab Emirates has grown dramatically as a result of a sustained development programme. This growth has not only seen the completion of a modern infrastructure that reaches into the remotest mountain villages, but has also seen population rise more than ten fold to 2,377,453 at the end of 1995 based on preliminary date of the Ministry of Planning of 1995 census.

With such a pace of growth, the organs of government, both federal and local, have also developed impressively, and their influence now affect almost all aspects of life, for both UAE citizens and expatriates. As with other relatively young states, new institutions that were created for the first time have derived their legitimacy and status from the extent of their activities and achievements, and from acknowledgement and appreciation of their role by the people.

The relationship between the new systems of government, federal and local, has itself evolved in a constructive manner. As the smaller Emirates have benefited from development in terms of, for example, education, so they have been able to find the governments, which had once been handled on their behalf by federal institutions, such as tourism. At the same time, in other areas, such as the judiciary, there has been an evolving trend towards a further voluntary relinquishment of local authority to the federal institutions. These new systems of government have not, however, replaced the traditional forms, which co-exist and evolve alongside them.

Traditional Government

Traditionally, the ruler of an Emirate, the sheikh, was the leader of the most powerful, though not necessarily the most populous, tribe, while each individual tribe, and often its various sub-sections, also generally had a chief or sheikh. Such rulers and chiefs maintained their authority only insofar as they were able to retain the loyalty and support of their people, in essence a form of direct participation democracy, though without the paraphernalia of western forms of suffrage. Part of that democracy was the unwritten but strong principle that the people should have free access to their sheikh, and that he should hold a frequent and open majlis, or council, in which his fellow tribesmen could voice their opinions.

"In the traditional set-up it was quite common for anybody to walk in unannounced, just as the Bedouin do in their curiously democratic way, to the majlis of any ruler." (Henderson, 1993, p 4, 34-35, 41, 43)

187

Such a direct form of participative democracy, of course, may be ideally suited to small and relatively uncomplicated societies, but becomes steadily more difficult to maintain as populations grow. The increasing sophistication of the elements of government, through the various federal ministries and local departments and municipalities, means that on a day to day basis, many of the inhabitants of the Emirates now find it more appropriate to deal directly with these institutions on most matters, rather than to seek to meet directly with their ruler or sheikh.

One enduring feature of the traditional aspect of life in the Emirates today, that is essential to an understanding of its political system, is the way in which the institution of the majlis has continued to maintain its relevance. In larger Emirates, not only the ruler, but also a number of other senior members of his family, continue to hold open majlises. This provides the opportunity for participants to raise a wide range of topics, from a request for a piece of land, or for a scholarship for a son or daughter to go abroad, to more weighty subjects such as the impact of large-scale foreign immigration upon society or complaints about perceived flaws in the practices of various ministries and departments.

In smaller Emirates, the majlis of the ruler himself, or the crown-prince or deputy ruler, remain the main focus. In Fujairah, for example, the ruler holds an open majlis at least once a week, as well as daily during the Muslim holy fasting month of Ramadan, which may be attended by both citizens and expatriates. To these majlises come traditionally-minded tribesmen who may have waited several months for the opportunity to discuss with their ruler directly, rather than choose to pursue their requests or complaints through a modern governmental structure.

In modern society, of course, as President Sheikh Zayed himself has commented, "it is naturally easier for a ruler to go to meet his people than for them to come to meet him." Sheikh Zayed frequently travels within the UAE, providing opportunities for him to meet with citizens away from the formal surroundings of an office or palace. During his regular inspection tours of projects, he also takes pains to ensure that citizens living nearby are guaranteed easy access to him.

Over the years since the United Arab Emirates was formed, the attitude of its people towards the modern and the traditional forms of government have, naturally, evolved. The ministries, departments and municipalities are now well established, and deal with a broad range of activities. As their functions have expanded, so they have taken over responsibility for a number of tasks with which, traditionally, a ruler would have dealt on a personal basis. Moreover, for the younger generation, who have grown up under the umbrella of such institutions, there is now a growing tendency to pay less attention to the old forms of governance, even though they may frequently attend majlises, particularly of the younger sheikhs. Among the older generation, however, traditional ways have retained their popularity, even if, on occasion, approaches may be made through the government machinery.

Just as the modern institutions have developed in response to public need and demand, however, so the traditional forms of tribal administration have adapted. With many relatively routine matters now being dealt with by the modern institutions, so the traditional ones, like the majlis, have been able to focus on

more complex issues rather than on the routine matters with which they were once heavily involved.

In the majlises, for example, it is possible to hear detailed, and often heated, discussions between sheikhs and other citizens on questions such as the policy that should be adopted towards the evolution of the machinery of government, or the nature of relations with neighbouring countries. On matters more directly affecting the individual, such as the topic of unemployment among young UAE graduates, debates often tend to begin in the majlises, where discussion can be fast and furious, before a consensus approach is evolved that is subsequently reflected in changes in government policy.

Through such means, the traditional methods of government in the United Arab Emirates have been able to retain both their relevance and vitality, and they continue to play an important, although often unpublicized, role in the evolution of the state today.

A Balanced Approach

In many relatively new countries, government leaders have chosen to adopt uncritically forms of political administration that have been developed in, and for, other countries with different social and economic conditions. As a corollary, they have neglected, and have often formally abolished, the traditional forms of government which once prevailed. The result, as has become sadly clear over the course of the last twenty or thirty years, has been that often governments have become divorced from their people, with a consequent failure to obtain or to retain popular legitimacy.

In the United Arab Emirates, however, a different approach has been adopted that of creating modern forms of administration, but at the same time, of preserving traditional institutions, with the vitality and legitimacy they draw from history.

With the benefit of a quarter of century of hindsight, it is evident that they made the correct choice, for, despite the massive economic growth and the social dislocation caused by an explosion in the population, the State has enjoyed an enviable stability. During the course of the last few decades, moreover, there have been numerous attempts to create federal states, both in the Arab world and elsewhere, but the UAE is the only one in the Arab world to have stood the test of time.

Perhaps one reason for the success of the federal experiment in the United Arab Emirates has been the fact that its leaders and people have avoided the temptation to copy from elsewhere, or to adopt a rigid political ideology that owes its origins to other countries and other societies. Preference is given instead to hold fast to the essential principles on which local society has been governed for centuries.

Whatever the cause, however, the result has been the evolution of a society where modern and traditional forms of government are not only both relevant but are also both evolving harmoniously along side each other, in pursuit of the greater goal of a stable, prosperous, confident and democratic society.

4.4 Economy

The Discovery of Oil and Its Socio-economic Consequences

With the discovery of oil in the UAE in the early 1960s, the scope and pace of change in the country became dramatically evident in the growth of the country's wealth and in the material transformation brought by it.

Oil is now the cornerstone of the UAE economy and is expected to remain so for the foreseeable future despite the comparatively successful attempts to diversify. Oil was first discovered in Abu Dhabi, at the offshore Umm Shaif field in 1958 and at the onshore Bab field in 1960. These fields were quickly developed and from the mid-1960s Abu Dhabi has been a major oil exporter in world terms. Oil was discovered in Dubai in 1966 at the offshore Fateh field where production and exports began in 1969. The onshore Margham field came on stream in 1983, and the associated gas field is now one of Dubai's main sources of natural gas.

Sharjah has had a share in the Mubarak field (off Abu Musa Island) since 1974, and significant new fields containing natural gas and condensates are expected to come on stream shortly. Ras Al-Khaimah was the fourth Emirate to find oil at the onshore Saleh field in 1983. The remaining three Emirates are still searching for exploitable hydrocarbon deposits, but the chances of finding significant quantities are considered small by industry sources.

Since the early 1980s the two main economic policy aims of the UAE authorities have been to reduce the dependence on hydrocarbon revenues and to boost private sector activity. This strategy was developed in a bid to balance out the country's vulnerability to changes in the world oil price, over which the UAE has relatively little control. Other reasons for diversification include the need to

192

boost opportunities in the non-oil sector for both foreign and local private investors, to create jobs for the rapidly rising local population, and to reduce the large non-oil merchandise trade deficit.

The diversification strategy has achieved considerable success, particularly in Dubai, where services and manufacturing have grown markedly since the early 1980s. The contribution to gross domestic product (GDP) of the hydrocarbons sector declined from 64 percent in 1980 to 43 percent in 1991. Since then it has fallen rather more rapidly than had been planned, as a result of the sharp down turn in world oil prices and lower output.

The UAE's dependence on hydrocarbons, however, remains considerable and is far greater than the above figures suggest. As well as contributing directly to GDP, hydrocarbons (both oil and natural gas) in 1992 also provided 65 percent of merchandise exports and around 80 percent of federal government revenues. Furthermore, a substantial portion of service sector and manufacturing sector activity is driven by government spending, which is largely dependent on hydrocarbon revenues.

As a result, the pace of economic activity remains heavily influenced by trends in the main oil-producing Emirate of Abu Dhabi, despite the success of Dubai in developing its local manufacturing and regional servicing/regional headquarters role. Since the late 1970s, economic growth has fluctuated in line with the world oil price, and the trend in world oil prices is likely to remain the main determinant of the UAE's economic prospects for many years to come.

The income from oil has enabled the government to establish an advanced welfare state in which all citizens enjoy essentially free health care, education, and

other social benefits. The new wealth, accruing directly to the government, has expanded enormously the impact of government on society. The society's commitment to rapid modernization has caused the physical and social environment to be massively altered. Giddens agrees with Marx that capitalistic enterprise plays a major part in levering modern social life away from the institutions of the traditional world. (Giddens, 1997, p 61)

Thirty years ago, the Emirates with the exception of Dubai and its modest commercial affluence were among the poorest societies in the world. But the UAE society has since undergone, and is still going through, rapid socio-economic changes in concert with comparatively great geographical and social mobility, increased literacy, improved means of communication, and contact with the outside world on a big scale.

Modernisation and a New Era

While British initiatives provided a thrust and context for political, social, and cultural development, much of the impetus for such developments came from indigenous sources. The considerable progress made in Dubai before World War II has already been noted. The advantages of being a compact city-state with a sophisticated, energetic business community, when combined with Dubai's favoured position as residence of the British political agent, briefly gave that sheikdom a leading role before independence moved the Trucial States into a new era.

Sheikh Rashid's initiative in promoting modernization of the port during the 1950s provided a fillip to Dubai's trade-based prosperity. This made possible advances in a number of areas - Dubai provided the only modern medical care in

the lower Gulf in the 1950s. It built on the educational innovations of the 1938-39 reform movement, established a police force, and set up a modern municipality to provide structure and order to its rapid growth. As impressive as any other accomplishment was the manner in which Dubai coped with the massive influx of immigrants from Arab and South Asian countries beginning in the mid-1950s, drawn by Dubai's burgeoning development.

Other Emirates also began to show their commitment to modernization. With British assistance Sharjah began in 1953 to provide the first modern schooling in the Trucial States. This schooling contributed to the modernization of the political elite, for example, former UAE Minister for planning, and his uncle, the late Saif Ghobash, who was UAE minister of State for foreign affairs, was among the products of this schooling. Moreover, in Sharjah in 1969 the first local, nationalist press was established in the lower Gulf with the launch of the Sharjah daily Al-Khaleej (The Gulf). Ras Al Khaimah's Sheikh Saqr bin Mohammed also took a leading role in promoting education.

"The discovery of oil and its subsequent exploitation brought dramatic economic changes that transformed the Gulf region." (Hooshory and Razavi, 1991, p 185)

The UAE was not far behind, by the mid-1960s Abu Dhabi's oil-based wealth enabled it to catch up with Dubai's earlier economic lead. Beginning in 1966, when Sheikh Zayed came to power, Abu Dhabi pursued imported, fast-track

development. This was reflected in the rapid expansion of its administration, budget, and defence force.

The Shift to an Urban Society

What was an overwhelmingly rural, and to a significant extent a nomadic population a generation ago, is now predominantly urban. The virtual absence of any physical structure more than ten or fifteen years old in Abu Dhabi reflects the extraordinary pace of change; only a few old buildings survive in Dubai and Sharjah. Glass, steel, and concrete towers give the UAE's cities the appearance of transplanted Houstons rising above the flat sands of the Gulf.

"The discovery of oil was the main reason behind the demographic changes as well as the urbanization of the UAE and the consequences of the influx of labour force." (Mattar, 1997, Al Ittihad Newspaper)

Almost overnight the greater part of the population has been displaced from traditional rural (and/or maritime) modes of existence to a setting of artificially sustained vegetation, broad boulevards and luxury hotels, where only a scattering of barasti huts might have been found a generation ago.

Easy access by air travel to different parts of the world, universal education, the availability of daily domestic and foreign press reporting, and constant exposure to television (including videotapes) and satellite stations provide a constant barrage of new ideas, images, and tastes.

"These mechanized technologies of communication form an essential

element of the reflexivity of modernity and of the discontinuities which

have torn the modern away from the traditional." (Giddens, 1997, p 77)

However, the actual effects of these changes on the people of the UAE can be easily discerned. People generally are slower than is commonly assumed to alter the essential features of their beliefs and behaviour even when the familiar landmarks by which they have directed their lives are being rapidly displaced. Furthermore, the extreme privacy in which the Emirians conduct their lives may help to mask the profound human changes that are occurring.

"This particular phenomenon will be better understood if one bears in

mind that change is taking place in human societies all the time.

Sometimes it is sudden and catastrophic; sometimes it is gradual and

hardly perceptible, so that even the members of the society themselves

scarcely notice it." (Beattie, 1992, p 241)

In any event, what is perhaps most surprising in the course of the UAE's greatly accelerated development is the capacity of traditional society to absorb massive change. Social institutions and cultural patterns have preserved their essential vitality. Raban noted the enduring strength of the family in coping with change:

"The family I had met had gone through an extraordinary revolution.

They had been suddenly exposed to the full blast of 20th century manners

and things. Other people in other places had simply been smashed by the

impact. Here, though, it was different. The Bedu family had met the

century head on, but they had been able to deal with it in the family."

(Raban, 1979, p 143)

The UAE, like its neighbours, presents a bewildering blend of traditional and modern elements in its cultural and social life. At a superficial glance, ideas and tastes of the contemporary West, symbolized by the vast array of imported goods and services that are avidly consumed, would appear to be obliterating what remains of the conservative, indigenous culture. Many Emiratis fear that this is in fact already happening, and most observers would probably agree that over time the UAE's greatest problem will be to preserve enough of the basic values of its society to keep it from being simply swept away by an avalanche of change.

Change in the life style of the members of any society is never an easy process to accept. In some cases tradition postulates a certain rigidity that makes adjustment to change difficult, if not impossible, without the stimulus of some extended force with a strong charismatic leader at the top. In the case of Abu Dhabi, its ruler H.H. Sheikh Zayed, who is also the President of the UAE, believes in a balanced fusion of tradition and modernization which has enabled the UAE to emerge as a modern society. In the UAE case, this is done by emphasizing and using religion as an interpretive force in society.

By linking social (religious) stability with economic development, Abu Dhabi is attempting to have the best of both worlds. The development of the economic growth is expected to generate an increase in income and wealth, which will be used for well being of the people and improve the material aspects of life, while religion and other elements of cultural tradition enable the citizens to maintain their unique cultural tradition.

Changing Demographic Features

An analysis of the demographic features of the UAE when it came into existence in 1971 points to a small indigenous population reflecting its arid climate and limited non-oil natural resources. But this situation changed dramatically within the next two decades as a result of the rapid modernization that followed the discovery and production of oil in the sixties. The two most noteworthy features of the UAE's population that became simultaneously evident in course of time, are its rapid growth and the resident foreigners greatly outnumbering the nationals on the other.

Population of Trucial States 1968 - 1983

1968	180,226
1975	557,887
1980	1,042,099
1983	1,382,464

Thus, though the rate of increase had slowed, the UAE's population continued to expand at a 12 percent annual growth rate between 1979 and 1982. Over the past ten years, the average population gain has been around 3.5 percent per annum, one of the highest growth rates in the world. IMF estimates of population are lower than official data, tracking in at 1.67 million in 1992 and 1.63 million in 1991.

Table 3

Population growth					
1991	1992	1993	1994e	1995e	1995
Population (million)	1.909	2.011	2.083	2.13	2. 377
Growth (% pa)	3.5	5.3	3.6	2.0	1.6

Source: UAE Central Bank

e: estimated

The rapid population growth rate is placing heavy demands on the physical and social infrastructure of housing, water, electricity, medical services and education. Another concomitant development is that, the demand for housing is also being boosted by changing social attitudes. In particular, rising economic prosperity is leading to the break-up of traditional extended family residencies with sons moving into their own separate homes after marriage although this is not a big phenomenon as indicated earlier.

Although the UAE has one of the world's highest per capita incomes, at around $17,100 per capita in 1994 current prices, four years of falling oil prices, together with a high demographic growth rate, has meant that real per capita incomes have been falling since 1991. Real GDP per head (at 1990 constant

prices) fell from US$18,500 in 1990 to US$16,700 in 1994. And in terms of purchasing power, with consumer price inflation averaging over four percent a year in the four years 1991-94, living standards will have contracted even further than the per capita GDP figures suggest. Although this is much less of a fall than in many other regional economies, it is bound to have had a negative impact on the local community and was a factor implicated in one of the case studies in this dissertation, viz. compulsory redundancy in the oil company.

The UAE has a very large expatriate community which outnumbers the local population by a ratio of four to one. Of the total population of the UAE which was 2,377,453 in 1995, 75.6 percent was expatriate, a proportion that has remained unchanged throughout the 1980s and 1990s. See table 3.2.

The proportion of foreigners to the local population is greater than in the rest of the Gulf area because of the UAE's relatively high level of non-oil economic activity. Expatriate workers started to move into the UAE before the oil boom of 1973. As a result of the growing affluence of the early Gulf oil producers - Kuwait, Iran and Saudi Arabia - Dubai developed as a significant trading centre servicing the import demand of these countries.

The UAE's first expatriate workers were therefore largely traders and workers in trading establishments. The oil price rise of 1973 led to an unprecedented expansion and modernization of the economy, and given the small indigenous population there was little choice but to import labour. To do this, specialized recruitment firms were established in the major labour-supplying countries like India, Pakistan, Egypt and Jordan.

The large number of expatriate workers gives the UAE a distinctive demographic structure. The population has a high proportion of males, 66.44 percent (1,579,743) while the total number of females was 33.56 percenet (797,710) of the total in 1995, and the age pyramid has a large bulge in the 20-60 years category, which constitutes the working age period. In addition, compared to most developing countries, the UAE still has a relatively small proportion in the 0-20 age category, although this situation is changing rapidly given the high natural population growth rate amongst the UAE nationals. See table 3.1.

"It is clear that the number of males exceed the number of females by 32.9%. Expatriate males formed 71.4% of the total non-citizen population." (Mattar, 1996, p 354)

Table 3.1: Population Distribution by Sex and Age Group, 1994

Age Group	Number			Percentage		
	Male	Female	Total	Male	Female	Total
0-4	156,342	153,862	310,204	7.2	7.1	14.3
5-9	138,299	137,197	275,496	6.4	6.3	12.7
10-14	88,159	85,382	173,541	4.1	3.9	8.0
15-19	54,665	53,798	108,463	2.5	2.4	5.0
20-24	74,639	72,870	147,509	3.4	3.3	6.7
25-29	161,172	103,478	264,650	7.4	4.8	12.2
30-34	194,020	87,986	282,006	8.9	4.1	13.0
35-39	184,461	80,189	264,650	8.5	3.7	12.2
40-44	103,022	31,442	134,464	4.7	1.4	6.2
45-49	72,384	20,894	93,278	3.3	1.0	4.3
50-54	33,938	11,616	45,554	1.6	0.5	2.1
55-59	17,285	8,746	26,031	0.8	0.4	1.2
60-64	8,640	6,545	15,185	0.4	0.3	0.7
65-69	5,369	5,477	10,846	0.2	0.3	0.5
70-74	4,278	4,399	8,677	0.2	0.2	0.4
75-79	2,334	2,004	4,338	0.1	0.1	0.2
80+	2,334	2,004	4,338	0.1	0.1	0.2
Total	1,301,341	867,889	2,169,230	60.0	40.0	100.0

Estimated by Dr. Mattar Ahmed, of Planning Department based on Population Censuses 1980-1985.

Table 3.2: Percentage Population Distribution by Sex and Nationality, 1995

Population	Sex				Total	%
	Male	%	Female	%		
Citizens	296,432	51.1	283,666	48.9	580,098	100
Non-Citizens	1,283,311	71.4	514,044	28.6	1,797,355	100
Total	1,579,743	66.4	797,710	33.6	2,377,453	100

Source: Based on preliminary data of 1995 population census.

The imbalance of the sexes affect the social and economic relationship within the community and the socio-culture as well.

Despite the slump in oil prices in the mid-1980s, ongoing infrastructural projects continue to generate demand for workers, and diversification of the economy (particularly in Dubai) also requires many more workers than the UAE can provide from its own population. Unofficial estimates, based on projections from the 1985 census and official birth and death rates, put the number of expatriates at 1.74 million in 1993, compared with about 560,000 nationals (giving a total population estimate of 2.3 million, slightly higher than the official total). By geographical distribution, most expatriates are based in Dubai, Abu Dhabi and Sharjah, which together account for 87 percent of the total.

The 1993 population was distributed by Emirate as follows:

Table 3.3

Expatriate groups by Emirate, 1975 and 1993

	1975	1993
Dubai	206,861	670,000
Abu Dhabi	235,662	600,000
Sharjah	88,188	240,000
Ras Al Khaimah	57,282	80,000
Ajman	21,566	70,000
Fujairah	Not Available	50,000
Umm Al Qaiwain	16,875	30,000

Source: Ministry of Planning

By country of origin, 700,000 were from India, 360,000 from Pakistan, 340,000 from other Asian states, 300,000 from Arab countries, and 35,000 from Europe.

Several South Asian groups together make up about one-half the total population. In 1980 both Indians and Pakistanis outnumbered the native population by 23.5 percent and 20.2 percent respectively.

Non-UAE Arabs of various nationalities accounted for just under 15 percent of the UAE's population, with Palestinians, Jordanians, Egyptians, and Sudanese most heavily represented. Europeans, East and Southeast Asians, and U.S. citizens, collectively, were slightly more than five percent. There is a very good representation of Iranians as well. This diverse population is found mainly in the urban areas of the three wealthy Emirates - Abu Dhabi, Dubai, and Sharjah, and overwhelmingly in the first two. This heterogeneity has long characterized Dubai, with its history as an entrepot, but not Abu Dhabi. In 1948 the British author Wilfred Thesiger wrote of Dubai:

"The suqs were crowded with many races - pallid Arab townsmen; armed

Bedu, quick-eyed and imperious; Negro slaves; Baluchis, Persians, and

Indians. Among them I noticed a group of Kashgai tribesmen ... and some

Somalis." (Thesiger, 1993, p 36)

However, in the poorer northern Emirates, the immigrant population is comparatively much smaller even at present.

4.5 Looking Forward

The Scope of Change in Society and Culture - Now and in the Future

As regards the labour force in the UAE some characteristics can be highlighted:

- The work force in the UAE is the high percentage when compared to the total population which according to the 1980 census, reached 53 percent. In 1992 this percentage decreased down to 47.8 percent. This is considered to be different from the characteristics of the work force to the total population ranges between 22 and 40 percent.

- The ratio of male inhabitants is much higher than the female inhabitants.

- The average standard of skills is low among the work force which is a result of the high rate of illiteracy in the foreign non-Arab labour force and in the non-technical labour.

- The high concentration of labour in the public services sector and the social and personal services while such labour in the production sectors is smaller. One of the important characteristics is that the UAE nationals are

- concentrated in the government positions and in the services and administrative sector. They refrain from participating in the manual trades. In view of such characteristics, and in the absence of a comprehensive overall plan for the development of the work force, the UAE labour force will continue to suffer from its turbulent characteristics. The State would face a major problem if it attempts at this time to replace the foreign work force by its local citizens.

The attitude towards expatriate workers in the UAE has generally been more tolerant than elsewhere in the Gulf, (according to some workers who worked in other Gulf countries). Tensions could arise as the decade progresses with increasingly well educated nationals aspiring to the technical and managerial functions currently carried out by expatriates, particularly northern Arabs; Egyptians, Syrians, Lebanese and Palestinians/Jordanians. At present most UAE nationals on completion of their education move into either self-employment (in trading enterprises) or into the public sector. However, it will not be possible to give the rapidly rising number of UAE nationals guaranteed work in the public sector indefinitely, especially as the private sector is likely to take an increasingly prominent role in leading UAE growth in the next century

Aspects of a Society and Culture in Transition

Despite the essential strength of the foundations of UAE culture and society, the dramatic changes in the country's social environment have initiated a potentially far-reaching process of transformation. Its long-term implications are profound but not easily discernible. However, an examination of the significant

changes in the social and cultural dynamics of the country's population may help to throw some light on this subject.

Education

As far as the education is concerned, indicators show a very rapid educational development from 1972 up till the end of the eighties. This progress is shown through the educational inputs and outputs during the period. With regards to educational institutions themselves, the State realized that a great number of citizens who have not had a chance to be enrolled in education were able to complete their literacy education. Therefore, it established two parallel systems of education; there is the normal education in public and private schools in which the children are enrolled from the age of 6 up till they join the university. There are also the educational centres in which the illiterate adults or even the elderly can be enrolled. These centres are not limited to literacy education, but they are educational institutions parallel to the other schools in their various phases. The learner who joins these centres may progress until he reaches the secondary school and thereafter the university. There has been a rapid increase in the number of public and private schools which increased from 147 in 1972, 782 in 1991. As for the educational centres for adults, their number increased from 54 to 135 during the same period. The educational institutions were complimented in 1977 with the opening of the UAE University at Al Ain.

One of the important indicators in the educational output is the increasing number of females whether among the students enrolled in schools or in the University or among the University female graduates. Data on the progress of the male/female student demonstrate percentages in public schools and the

208

counterpart progress as applicable to the University students and graduates as per gender. The percentage of female students enrolled in public schools in 1972/1973 was approximately 39 percent of the total number of school students. Such percentage increased up to 50.6 percent in 1992/1993 and outweighed the male percentage. The data related to the secondary school and university academic education indicate that as the educational standard advanced the proportion of females increased. In 1992/3 the percentage of male students out of those who passed the General Certificate of Education at the end of the school year did not reach higher than 40.6 percent. This trend has been more evident at university level.

It is not yet apparent what kinds of behaviour shaping influences education will impart. In at least a formal, academic sense, a degree of Western, specifically U.S., orientation and influence is evident throughout the educational system. English is taught from the primary grades on, U.S. curricula are studied for guidance in developing the school system, and most university students of the science faculty look to advanced study in the United States. Thus, at the university level, many Emirians are significantly exposed to Western, particularly U.S., modes of research and intellectual discourse.

Indexes of Social Change

Consequently, the changing attitudes among the UAE's youth should provide one of the obvious indexes to anticipated alterations in the patterns of social behaviour, though it is hard to gain any very clear and precise idea in what directions and with what force those changes are occurring. It does seem certain, that many of the young people who are returning from study and extended

residence in Western countries bring back a greater taste for democratic forms of social and political relationships. In any case, there are signs, as one would expect, of some degree of impatience among younger people with things as they are.

Although most of those belonging to the generation now coming of age continue to obey and respect traditional forms of authority, familial and governmental, it seems certain that deference to the paternalistic ways of the past is slowly becoming less certain. Whether this might in turn evolve into active challenging of authority is difficult to predict, nor is it now possible to say whether bright, young returning graduates will display greater resentment than their generally less-educated elders toward expatriate managers and advisers. Such developments, reflecting the natural impatience of the first post modernization generation in the UAE, who are less aware than the older generation of the distance the society has already travelled, may be anticipated. Although the basic elements of UAE society remain intact, there are already some signs that the disruptive forces of accelerated, modernizing change are surfacing. One index is the rapidly increasing number of traffic accidents, to which the endless string of abandoned roadside wrecks bears mute testimony. A variety of punitive measures, escalating in severity to whipping and jailing, has failed to check the rising accident rate.

Among other symptoms of changes in social behaviour and values with serious implications for the future, are developments affecting the young and the old. It has been necessary in recent years to establish homes for the elderly and rehabilitation centres for juvenile delinquents. These developments are thus far modest in scope, but they represent, in a society as profoundly family-centred as

the UAE, a disturbing sign. How far these above developments may go will depend on the degree to which roots linking the young to the past can be preserved.

In the short term, the impact of Islamic revivalism and the pragmatic caution of the country's leadership is ensuring measured social change that does not directly challenge conservative values and the stability they engender. Moreover, certain developments in education, communications, and forms of recreation are promoting greater social and cultural integration, thereby contributing to social stability. During the next few years, the structure and dynamics of UAE society is not likely to be fundamentally altered. However, the forces of change already set in motion, in the longer run, may bring about a more extensive transformation. The sudden leap in rapid economic development and generalized affluence that follows are producing a generation more dramatically removed from the circumstances of its parents' existence than in any other society. For most now in their teens or younger, there has been no direct experience of the impoverished, isolated existence that preceded oil wealth. Connections with the past are further weakened by the sudden exposure to other images and models of social behaviour.

Beyond suggesting that a certain erosion or modification will occur in those basic cultural determinants that everywhere resist rapid alteration - family loyalties and religious norms - it is hard to project the extent and nature of change in the UAE of the future.

The values associated with the traditional, close-knit family and with the practice of conservative Islam are not theoretically incompatible with rapid economic development and the approach to welfare of super affluence, but their

preservation will be much more difficult. Undoubtedly, over time, the changes already occurring in family living patterns will undercut the authority of heads of extended families, and there will be substantial weakening of tribal ties. Women will play important roles in parts of society from which they had always in the past been excluded. In short, there will probably be much greater social fluidity.

Although Islam has for so long provided the essential underpinning for the society and culture in this area that any real change in this respect is difficult to predict. Some degree of secularization as has occurred in other Arab-Muslim countries long exposed to external non-Muslim influences would seem to be inevitable. (At the same time the current revival in Islam demonstrates its continued vitality and capacity for self-renewal.) What can with some certainty be anticipated is that as new ideas and perspectives gain further hold among younger elements of the population, society and culture will become more complex and ambivalent, leading eventually to changes not now easily envisioned. For some time to come, however, the essential nature of human behaviour in the UAE and the norms and values that shape it will not be fundamentally altered.

4.6 Conclusion

The societal influences associated with loyalty to family and tribe, acceptance and celebration of religious identity, and the continued, and unquestioned, personal loyalty to tribal leaders remain the standards of social and indeed political existence in the UAE. While many would question the durability in the modern age of a system which depends upon forms of elitism and paternalism for the rule of the governed, they would also fail to appreciate the stability and

societal order such a system maintains. The unquestionable preference of elites within the society that this system be maintained. As a social system at tribal level and below, Emirati leaders have essentially assigned Western labels, e.g. municipality, to traditional Arabian peninsula social structure, i.e. the Diwan and the Majlis. Decision making, even when the subject matter consists of the most contemporary of issues, nonetheless proceeds according to the process of tradition.

The achievement of a modern federation at the state level is truly remarkable. It should be noted that the UAE is the only example of a working federation at the national level in the Arab world. The success of the federation clearly owes something to oil wealth, but just as clearly, the wisdom and tolerance of the UAE's early (and present) leaders helped craft agreement, even when such agreement to share power was unlikely.

Fundamentally the 'Balanced Approach' of the UAE is the key to its success. Proceeding on a course of ambitious modernization, while maintaining respect for the societal institutions of the past, is certainly full of ambiguity and questions. (As we shall see in the chapters which follow, public relations professionals have contributed greatly in assisting the society successfully address many of these contradictions, ambiguities and incongruities.) Even so, the product of societal cohesion which this effort to pursue a balanced approach is surely well worth the effort undertaken.

That the dilemma of the people when confronting the dichotomy between tradition and modernization could lead to confusion and instability in the long run, was perceived by the wise leadership of the UAE, particularly its president Sheikh Zayed Bin Sultan Al Nahyan who opted for the cautions and balanced approach.

The UAE thus represents an unique combination of the traditional and the modern, and offers an interesting example of how a country can forge ahead with modern administrative and economic structures and yet preserve the best traditions of the past.

The future of course contains additional societal disruption. The imperative to diversify economically is more apparent than ever before, as the oil price disruptions of 1998 and 1999 imperil social programs. And, an important part of that diversification effort will require free market forces and privatization to displace established patterns of order in the economic realm. The UAE will surely continue to pursue an ambitious modernization agenda, as well, all of these factors will threaten the country's ability to continue to embrace traditional norms. Yet, the author is confident that the challenges of the years ahead will indefinitely be managed through traditional means, and the leaders who will shoulder this burden will still be chosen in the traditional way. Without question, the requirement for public relations professionals will not abate during this future period of turbulence.

It is against this backdrop that the operations of the western-type oil industry within a traditional society have to be studied and analyzed. The role of public relations engenders special significance in this context. The public relations professional who is a member of the local community on the one hand, and an employee of the oil industry on the other, has the delicate and difficult task of mediating, liaising and translating between two opposing culture not only during times of crises, but also to ensure the smooth functioning of the company under normal circumstances.

CHAPTER 5

The Organizational Culture of the Modern Oil Industry

5. Introduction

The aim of this chapter is to explicate the organizational structure and culture of a modern multinational economic organization. The approach taken will be as follows:

- To contrast the theoretical approaches to organizational culture and bureaucracy introduced in Chapter One with the actual organizational structure and practices of the modern/multinational oil culture. This contrast is enabled by the presentation of factual data, and information derived from a survey research exercise conducted at - and with the full cooperation of - British Petroleum, an international oil company with extensive experience in the Arabian Gulf, to specifically include the United Arab Emirates.

- To analyse the internal organizational practices of a local UAE oil company and once again to identify and determine the characteristics of the organizational culture found within.

- To subsequently compare and contrast all three cases; i.e. British Petroleum, the UAE National Oil Company and the theoretical literature that addresses organizational structure and function introduced earlier.

5.1 British Petroleum

"It began on 28 May 1901, when William Knor D'Arcy was granted a Concession by the Persian Government, valid for sixty years to search for, obtain, exploit, develop, render suitable for trade, carry away and sell natural gas, petroleum, asphalt and ozokerite through the whole extent of the Persian Empire with the exception of the five northern provinces." (BP document)

In May 1914 the British Admiralty concluded a long-term contract for the fuel-oil requirements of the Royal Navy, and with the support of Parliament, invested £2 million and became the principal shareholder. In 1917 the Admiralty launched its own marketing organisation through the acquisition of the British Petroleum Company, the UK subsidiary of the Europaische Petroleum Union. From those humble beginnings the company D'Arcy founded has grown into a major international energy enterprise. "Today BP is the third largest oil company in the world and is one of the biggest companies in Europe." (The World of BP, 1996)

BP's corporate headquarters is in London. The company consists of three, core business areas, and a fourth stand-alone business. The three business areas are:

- BP Exploration - oil and gas exploration, field development and production.

- BP Oil - refining, marketing, oil trading, shipping and supply.

- BP Chemical - petrochemicals, plastics and specialty products.

The stand-alone business is:

- BP Nutrition - animal feed, household, and personnel care products.

A key year in BP's recent history was 1987, when it secured 100 percent ownership of Standard Oil of Ohio. The two companies had been linked since 1969, when BP exchanged its crude oil leases in Alaska for Standard Oil shares (Standard Oil was founded in 1870 by John D. Rockefeller). The proposed acquisition of the very large U.S. energy firm AMOCO was announced in mid-1998. According to BP World 1996, one-third of BP's assets are in the UK and a further one-third are in the USA. The company also has a well-established presence in Europe, Africa, Australia and New Zealand, and at this time it continues to strengthen its operations throughout the world.

The group's oil marketing operations are the responsibility of BP Oil, a company business area that sells more than 2.7 million barrels of refined products every day (BP World 1996). BP oil is both a major oil refiner and a leading trader of crude oil and products in international markets.

Company Organization

BP headquarters in London, England is an administrative planning unit. Its administrative structure and policy encourages extensive decentralization of decision making to reporting departments and subsidiary units. However, and despite this corporate emphasis on decentralization of responsibility, all BP business-related activities are conducted within a standardized administrative planning framework, with well-recognised lines of authority and responsibility.

The corporate Board of Directors, assisted by high level committees, is responsible for the general structure of the organisation, and establishes and

promulgates policy decisions. Further, the Board retains authority for the corporate budget, financial discipline throughout the company, and the appointment of senior executives.

BP shareholders rarely have any influence on management decisions, except in the case of company directors and managers, who also own stock. BP's administration organization is largely autonomous, i.e. it is self-governing and does not execute the order nor carry out the policy of any other body, but rather determines corporate policy independently. BP decision-making practices are nonetheless subject to a wide variety of external and internal constraints, importantly including the market constraint imposed by competition. As a large company, BP decision making is also sensitive to the countervailing power of other groups, including the media and other organs of public opinion, by Government, by its labour force, and by its shareholders.

The full documentation of its accountability to shareholders and owners is provided through annual reports and periodic meetings. The annual reports of accounts are not only a requirement of law, but also permits the company to distribute a great deal of information, to strengthen its relationship with its external publics, and to appeal to potential investors. Annual reports are of significant public relations value, at least within England.
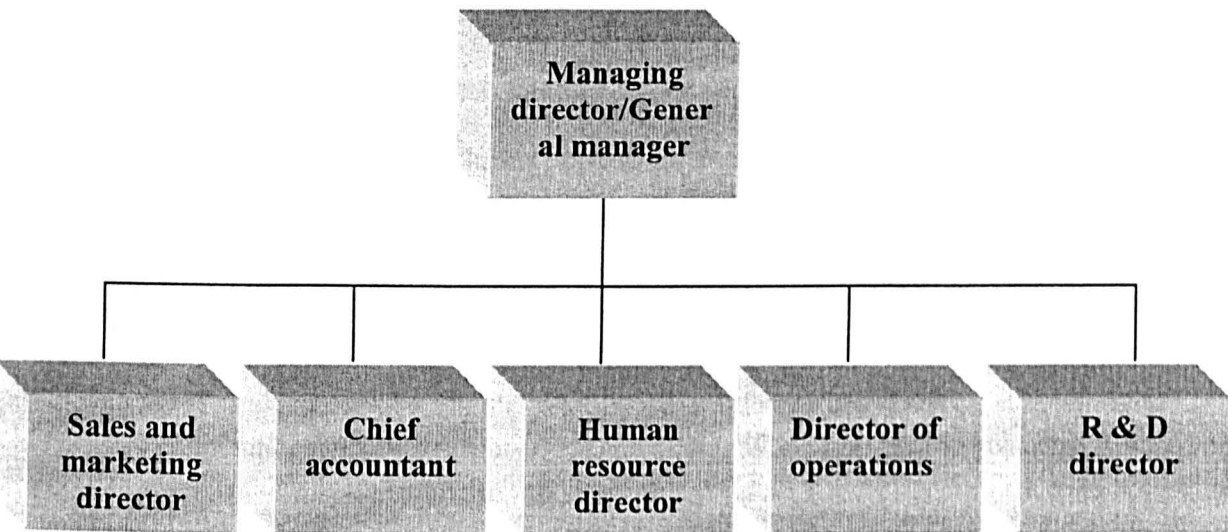
Since 1992, BP invested in organizational terms into a process of corporate re-engineering, simplification and decentralization. The corporate objectives pursued by this investment was the development of an organisation, which offers the full benefits of integration, while building on the professionalism of the business units. According to senior BP officials, (Mr. Cockdoigt) "we should continue in this

direction, our primary aim is to make the BP organization much simpler avoiding duplication and clutter." BP employs more than 110,000 employees in over 70 countries according to its publications, and its basic organisation structure is the 'Divisional Business' structure. As mentioned earlier, this form divides the BP business units into four largely autonomous businesses. Each business is relatively self-contained and has the resources to operate independently of other businesses. Each business unit is headed by an executive who is responsible for all decisions concerning the business' investment in facility, capital, and people as well as the business' development and profit/loss performance. It is similar to dividing a firm into several smaller companies, but it is not quite the same, since each 'smaller company' is not completely independent, although largely so. Each business is not a separate legal entity; it remains part of the Corporation (BP), and does not issue stock of its own. Importantly, each business director is responsible to the BP CEO and Chairman.

Each business unit is typically organised along functional lines. The operating management is responsible for the day-to-day running of the business through hierarchical structure of subordinates, managers down to foremen, supervisors and skilled and semi-skilled labourers (see XFI organisation charts). The corporate office monitors performance of the business units and assist business unit executives evaluate proposals for capital outlays. The chief executive of each business ultimately has the responsibility and authority for performance of his business, but financial matters; such as, significant capital investment are often closely controlled by the Group headquarters. BP adopted this organizational structure to meet its goals and objectives, and to be more dynamic in the very

competitive business of oil. Furthermore, BP also acknowledges another reason, to transform into a different and less hierarchical organisation structure and "to give the individual more say in what he is doing." (Interview with P. Bonnovere, 1996)

A typical functional form of structure *(There will be other functional departments such as Corporate Planning, etc.)*

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                        ┌──────────────────┐
                        │    Managing      │
                        │ director/Gener   │
                        │   al manager     │
                        └──────────────────┘
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| Sales and marketing director | Chief accountant | Human resource director | Director of operations | R & D director |

A point to note about functional structures is that at one level or another, the functional division of responsibility normally makes some appearance. Such structures work well, likes Weber's pure bureaucracy, in conditions of low uncertainty. They allow economies of scale within functional departments, specialist skills can be developed and reporting lines are clear. But such a structure is slow to respond to environmental changes, it does not encourage innovation and can lead to goals of the particular function taking precedence over the corporate and organizational goals. (The means, or process, becomes more

important than the ends. This structure does not encourage horizontal co-ordination between departments and leads to problems where an organization has a wide range of products or is geographical dispersed.

The Strategy and Corporate Planning Division at the headquarters supports the business units in developing their business strategy and helps ensure overall strategic consistency. The Human Resources and Corporate Communication Division takes responsibility for career development. Aspects of this function include; training, job mobility worldwide, compensation, incentives, and the identification of high potential employees. It proposes labour relations and corporate communications policies for each host country environment, clearly a public relations function.

Within BP's Abu Dhabi office they employ a functional organization structure (see attached and the diagram above). This brings together under the executive the related occupational specialties and skills. "The organization structure is based on the principles of direct communication, and therefore meets the challenges and plans for future developments. It consists of skilled and efficient personnel." (The BP Assistant Chief Representative)

As a western company, BP is using a modified form of the Weberian bureaucratic hierarchy of positions such that every position is controlled by a higher one.

"The principles of office hierarchy and of channels of appeal stipulate a clearly established system of super- and sub-ordination in which there is a supervision of the lower offices by higher ones," (Weber, 1978, p 957)

The hierarchy of authority appears impersonal, is clearly based upon rules, and the superior position is held by one having greater expertise, predictably measured. Thus, compliance with rules and co-ordination is systematically ensured. BP's re-engineering program, designed to encourage as much autonomy at lower organizational levels as possible, is of course not traditional Weberian, but nonetheless this practice of 'de-layering' is widespread, and a symptom of modern globalizes industry competing in the information age.

External Organization

As discussed in Chapter Two, external organizations or 'publics' are an important part of the company environment. These publics suppliers, distributors, the Government, customers, special interest groups, trade associations, and others. Each of these exhibits certain common behaviour.

BP as a large, international, profit-making organization is strongly influenced by its external environment, such as its customers, suppliers, competitors, regulatory groups, and so on. As the corporation grows, interactions with other organisations tend to also grow, and relations with these publics take on more importance.

"By applying our skills, experiences and carefully targeted financial support in partnership with community, educational groups, Government and non-profit making agencies, we believe we are making a significant impact." (Lord Ash Burton, BP Ex Chairman)

BP has a strong external affairs program, and routinely interacts with national and international bodies, important interest groups, including industrial associations, academic institutions, religious and pressure groups. This effort is fully consistent with the strategic management practices of large modern corporations, and as a bridging strategy closely conforms to the public relations model described as 'mixed-motive symmetric' in Chapter Two.

Other Companies

BP fully recognizes that it cannot achieve business success on its own, but in contrast, cooperation with other partners, customers, government and contractors will exert a significant impact upon the final outcome. "We have to ensure that our aspirations serve their interest as well." (John Browne, Group Chief Executive, 1996) Browne added that in all BP's activities, the need for partnership is crucial whether with other energy companies, contractors, government, local communities or customers. The company attempts to construct win-win strategies, whether in devising a fiscal regime for oil production, or selling products to achieve mutual advantage.

A particularly important relationship for BP is with high technology companies, as Information Technology (IT) is present in all its activities. BP has invested more in IT than any of its global competitors. Throughout the BP system, Information Technology links activities of the Groups. This is particularly critical, of course, as the company decentralizes the decision making process. For BP, IT has a vital role in creating the best conditions for transferring information and sharing best practices.

"I am involved in a learning network with another 18 companies across the UK, none of whom are our competitors. We meet three times a year to discuss the topics of mutual interest, methods of training, etc." (P. Bonnovere, 1996, Interview)

Political Actors

The Group works closely in developing parliamentary links in the UK, at both ministerial and back-bench level. The group also fosters informal working relationships with relevant civil servants in all government departments. Also, the Group interacts with internal bodies such as the European communities in Brussels and keeps current on legislative matters in USA and elsewhere. In an interview with P. Bonnovere in 1996, he commented as follows:

"There has been a lot of work going on with the labour party in anticipation of them getting into power. For example, he added, there was a lot of concern that they might attempt to impose a training levy or tax on employers who do not train. We spend a lot of time on training but we do not want the 'red tape' associated with proving it." (P. Bonnovere, 1996, Interview)

The General Public

Concern with the health and safety of its employees, customers, and neighbours is an integral part of the Group's day-to-day operation. So, too is its approach to environmental protection.

"Striving for high standards of health, safety and environmental care is seen by BP as not only a moral duty, but also a crucial part of effective and profitable business management." (BP World, 1995)

Wherever BP operates around the world, it concerns itself with more than just doing business successfully. Its community programmes are based on an understanding of the need for a close relationship between the company and the society in which it lives and works. In 1991, BP spent more than £28 million (BP World 92) worldwide on educational support, inner city renewal projects, small business development initiatives, environmental conservation and sponsorship of the arts, as well as making donations to many charitable causes.

"There is the community interface, we have a visitor's centre on the site he and try to encourage links with schools and universities."
(P. Bonnovere, 1996, Interview)

Company procedures

To succeed, the leadership of each company needs to effectively manage human resources. Company personnel policies are rooted in a number of fundamental principles. They comply fully with their contractual arrangements and the laws of the country they operate on. Furthermore, the company's personnel policies are competitive with those prevalent in comparable organisations in the industry and the region.

"The other vital element is the personal factor. No partnership or reputation can be divorced from the people which are its heart and substance. In other words, BP staff." (BP Briefing for Employment, 1996)

Recruitment

BP maintains a set of rules and procedures for the recruitment of its personnel, the way it selects them, promotion and the termination procedures.

"We are looking for outstanding new graduates and postgraduates to join BP as engineers, executives, or in commercial roles. It will not be easy; we ask a lot from our graduates. In return, we offer challenging and rewarding careers with one of the world's largest petroleum and petrochemical groups." (David Simon, BP Group Chief Executive, 1996)

The process of recruiting candidates and selection from among them those likely to be of the greatest use to the organisation is one of the most crucial processes for BP. BP as any other organisation has as part of its company budget, a 'wages' cost, the labour cost, and so on. Whatever the term used it is still comes down to the fact that employees require payment (reward) and the company requires employees to function (costs). BP has two main avenues of recruitment into the company as mentioned by Peter Bonnovere of BP. The first of these is graduate recruitment and school trainees. The second is vacancy specific, and is very much business and needs driven. When possible, BP tends to use our internal people to deal with most vacancies.

BP's recruitment criteria, is to recruit the most suitable person for the vacancies concerned, irrespective of nationality, race, culture or religion. All the vacancies are advertised internally and the same process of selection will apply as it would apply to external applicants, and on the basis of technical qualifications.

"Candidates are selected on the basis of technical qualifications. In the most rational case, this is tested by examination or guaranteed by diplomas certifying technical training or both. They are appointed, not elected." (Weber, 1978, p 220)

So the criteria for recruitment within BP as articulated by one of their senior staff is:

"When we recruit graduates we are looking for people with the potential to rise to senior positions within the company, but recruitment is a very unscientific process, and we know on the look of that process that people will fall out and end up doing jobs at lower level. However we have that as our basic recruitment target to recruit our best people through that graduate route." (Peter Bonnovere, BP staff)

For BP, the employee staffing process includes the sub-processes of recruitment, selection and placement. Employee recruitment is the act or process of the organization attempting to obtain additional human resources for operation purposes. These are selected on impersonal basis where they go through different

stages of selection such as interviews, test, references and medical examination. This matching or filling process is aided by procedures such as job evaluation, job analysis, job description and job specifications.

Promotion

Promotion to higher jobs or, as it is sometimes called, management development, in BP is in accordance with established procedures related to improvement on the current job performance. The company uses the management appraisal and performance appraisal to get information on employees during their work with the organisation.

The aim of the appraisal form is to identify managerial talent in subordinate staff on the basis of their sense of reality, power of analysis, imagination, leadership, etc. According to Peter Bonnovere, most positions are advertised electronically. Some vacancies however are not advertised. As Bonnovere noted:

"...some times we make moves in order to facilitate individuals, so we might determine that within the factory. There are a number of professional people who need a change and we might put together a chain of moves with the agreement of the management team. Some people will always be unhappy with that but there is a balance to be struck about being open and formalising opportunities and being reliable."

Peter Bonnovere went on to say that;

"there has never been an appointment without interview. At the interview we involve the immediate supervisor and the senior manager of that area."

The promotion system of BP is done in accordance with their written procedures, which are normally approved by the highest authority of their hierarchy.

"It constitutes a career, Weber said. There is a system of 'Promotion' according to seniority or to achievement or both. Promotion is dependent on the judgement of supervisor." (Weber, 1978, p 220)

Wages Bargaining

Due to the fact that the compensation package represents both tangible and emotional rewards to an employee, it is a very important consideration in all organizations. The financial and non-financial rewards offered to employees represent both inducements for attracting prospective workers as well as factors that current employees will surely consider in their decisions to remain or leave. Additionally, the compensation package may serve as a reflection of an employee's worth to the organization, or an indication of an individual's assessment of his or her own self-worth.

The general issue of benefit objectives for BP is that the employee is fairly paid for his or her efforts and entitled for pension. This objective is usually readily

accepted. This is because; if employee compensation is too low, a company will find difficulty in recruiting and maintaining the number and quality of personnel it needs. However, alternatively, if the pay level is too high, this means an extra economic burden to the company, and ultimately it may place the organization at a competitive disadvantage. Thus, it is critical that the salary and wage level of the company reflects a reasonable compensation for employees.

"They are remunerated by fixed salary in money, for the most part with a right to pensions. The salary scales graded according to rank in the hierarchy."
(Weber, 1978, p 220)

The issue of pay structure concerns the hierarchy of pay rates, pay grades, and job classifications existing within the BP Group. The company wages and salaries are related to external labour market and industry conditions, while the relationship of internal jobs must be determined in terms of pay and salary rates. All jobs within the company are not of equal caliber or difficulty; some jobs require professional managers, others call for skilled employees, while others can be performed by unskilled workers. Normally job evaluation is the method used for determining these internal relationships. Jobs are compared in terms of required degrees of intelligence, expertise, effort, safety, and other human qualities needed to successfully perform the involved job duties and responsibilities. Job evaluation, however, is not the only method developed to compare jobs. Other informal and formal techniques such as management

judgements or collective bargaining arrangements have been used to determine

pay structures with the BP group.

"There is not a BP group's salary policy. Some aspects of the package, the

share and the pension scheme are standard across BP, but the salary

structure depends on the business and market which we are operating in."

He added: *"Human Resources has a role to play in advising managers so*

that active fairness across the site for different types of employees."

(Interview with P. Bonnovere, 1996)

BP Culture and Values

BP has an invisible quality, a certain style, a character, a way of doing things -

that may be more powerful than the attributes of any one person or any formal

system. To understand the soul of the organization requires that one has to travel

below the charts, rule books, machines, and buildings into the underground world

of corporate culture. But to start it is good to explain what is meant by the term

'organization culture:'

"The culture of an organization refers to the unique configuration of norms,

values, beliefs, ways of behaviours, and so on, that characterise the manner

in which groups and individuals combine to get things done." (Eldridge and

Comber, 1974, p 89)

BP's jobs are typically broken down into tasks, management provides a thorough training and harmonious job environment. Promotion decisions are based on employee performance and wages are in accordance with industry standards, with bonuses sometimes. This coincides with the theories of scientific management as discussed earlier.

BP's socialization policy was that all newcomers are well aware of the opportunities within the organization, i.e. graduates learn from the formal career development instructions, others from the induction programme which is given to each individual. The company brochures are also considered part of BP's effort to socialize its new recruits.

Cultural acceptance and indoctrination of a new recruit is part of BP's formal processes where by the Personnel Department expose each new member to the BP Group lore and language, ensuring that they are introduced to these gradually. The objective is for each to become part of the group's culture, and to establish a career. Formal organizational rewards are often awarded.

The new employee also learns deference towards authority, and interpersonal relations are encouraged in ways that honour organizational claims for loyalty, consistence and dispatch. Organizations are typically composed of small groups that have a similar influence on behaviour. They inculcate majority values in their members; they reward compliance and punish these who resist their demands.

Certainly, acceptance of the organizational culture is not the result simply of exposure. But recruits are encouraged and rewarded to make them regard the group culture as their own. They are rewarded formally and informally.

BP has a career and promotion policy whereby employees are encouraged to climb up the ladder on the merit of their performance. They give technical training to assist the employees to achieve their ambitions and goals. Equivalence of qualification and even their relevance becomes increasingly problematic when recruiting and promoting in a multi-national context such as BP. It is worth looking at the concept of the Peter Principle of occupation incompetence.

The Peter Principle

"In every hierarchy, every employee tends to rise to his or her level of incompetence." (Peter and Hull, 1970)

Thus the 'Peter Principle', formulated by Peter and Hull as a result of their study of occupational incompetence, is a very real phenomenon, particularly in large bureaucratic organizations like BP. It rests on the belief that if the employees are competent in their present job, they deserve to be promoted. One must remember that individuals are appointed on the basis that they will be competent in the post that they are to receive. According to the theory, competence in each new job qualifies them for promotion to the next level until they reach a stage at which their competence does not increase; they are then deemed to be 'incompetent' in their present elevated position. Organizations which promote their employees in this way, and in the oil industry, employees are sometimes appointed as a result of family connections, then the organization ends up with incompetent staff at every level in the hierarchy.

Instead, the essence of selecting people for promotion should be in identifying their potential competence for a more demanding role at a higher level. Because a teacher is highly competent in the classroom, that is no evidence that they will per se be good at administration as a head teacher out of the classroom. As with the initial appointment, there is a need to analyze the requirements of the next level job in terms of essential and desirable skill requirements and to match the candidates against these requirements. All the skills involved in job analysis, job description, and employee specification are just as essential in providing criteria for selection for promotion - but in the Gulf, these are often neglected.

What is most significant for the employment of staff in the UAE oil industries is the research of Bennison and Casson (1984) who found that there was a real lack of evidence that grades in highly structured organizations differed significantly from each other in terms of the actual skills, or levels of skills, required for the job. They also found that employees were rarely 'tracked' as they made the transition from one grade to a higher one in terms of their development and potential. From the perspective of UAE oil companies, promotion cannot be seen as a reward for good or faithful service, or adequate competence in a current position, or even (in accordance with the prevailing culture) for influential family intervention. There need to be clear criteria for promotion against which employees can be measured.

In the selection process, BP has a policy of try to match the personality of the recruits with the organizational culture, at the same time the selection is a standard and subject to universalistic rhetoric personnel experts, who insist on translating

the Group's rules into the ostensibly value free language of work, study and personnel.

"Let us stress, however, that BP is not for everyone. Look again at the front cover, it is not just rhetoric. We are innovators, leaders, entrepreneurs, team-workers and communicators. We do not always take the easy way path and we thrive on new challenges." (BP recruitment brochure, 1996)

Use of language is perhaps one of the most obvious barriers in cross-cultural communication. The problems of communicating in a language different than your own go beyond learning to translate a set of words. Language defines culture and structure of our patterns of thinking, our perceptions and our very concepts of reality.

BP uses English as the official language in their correspondence, however English is used as a second language in other countries. Their brochures are normally done in Spanish, English and in the Emirates in Arabic. However they try always to communicate in English.

"English is our international language. However, we have on occasions used the language of the location. Recent examples include BP Norway, where we have moved from English to Norwegian, and BP Columbia where we are moving from English to Spanish, which is the language of

the business. A further example is the downstream business in Europe

which operates in the language of the location i.e. German, French,

Spanish and Italian. " (Ken/Ders - Letter to the author 24/9/95)

BP culture has changed in the last few years in response to new technological, manufacturing and commercial challenges.

"Unnecessary bureaucracy has been ousted, outdated hierarchical

structure broken down, we are concentrating on creating an increasingly

open, team based approach where people are responsible for their own

development, a broad range of skills is required and new ideas

encouraged and shared. Our achievements are not just on site, we go out

of our way to earn respect in the communities in which we work. As you

would imagine a large employer like BP makes a significant impact on

local economies. Through work with schools, small businesses and local

groups, we also try to make a positive contribution to the community. " (BP

we are ----- are you?, 1995)

BP and in particular its chairman at that time proposed a change of corporate culture and introduced 'Project 90' with an objective of making the company one of the Britain's biggest and grandest, with a model of the thoroughly modern one. The company's headquarters was in the middle of the City of London and had the aura and atmosphere of a British Gentleman's club rather than a dynamic executive powerhouse. Decision-making tended to take time, as they had to go

through several layers of hierarchy. It was the objective of 'Project 90' to sweep away the old culture and introduce a new one.

'Project 90' started with the sale of the Britannic Tower and also some parts of the company in order to make the overall structure simpler. However, with that in mind the company management also realized that the employees' attitude had to change. They were well aware that the behaviour patterns inside the office and plant reflects the external environment. They started to make their administrative function smaller, contracting out some of their seniors, delegating authority down to operational level, encouraging risk taking, and providing clear leadership.

The staff were given more operational freedom:

"All staff will enjoy even greater operational freedom than before. They will also have more of an opportunity to make a personal contribution, and to show what they can achieve, but they will also be accountable for their performance. They will be expected to deliver." (BP Brochure, 1996)

Layers of management were stripped out. 'Project 90' explicitly sought industrial democratization. It reduced redundancies and job security, as well, however management placed substantial emphasis on 'empowerment and trust.' Lower level staff were encouraged to take decisions independently. Encounter groups were set up, in which operations were able to voice their criticism of the system and suggestion were taken on board.

So BP had stripped out many layers of the management hierarchy. After 'Project 90,' only two layers remained between the chairman and the operation

manager. Previously there were approximately ten layers. This turned the company to become one of the most profitable in Europe. By taking this action, BP turned itself into an enormously respected and efficient culture, one which also best suited its ability to prosper in the global energy market.

As mentioned, one of the 'Project 90's' aims was industrial democratization. It was hoped that the organizational changes would release energy from lower level staff, and free them to take more decision by themselves. The spotlight was to be on the manager and the operative who were on the front line, i.e. where it counted. The freedom was particularly evident in the encounter groups.

Encounter groups were set up, in which operations were able to voice their criticism of the system. And these brought rewards. In an interview with one of BP senior staff he said:

"The aim of project 90 was to change the culture of the company. I think we were a paternalistic, centrally driven, jobs for life, kind of organzsation. There was a clear recognition of the need to give individuals a much bigger say in the way in which they do their jobs and the way in which the company operates. You can mock all the classical jargon about 'empowerment' and 'teams' but the company did see the need to move down the road of greater personal development and career development and to facilitate that we had to ensure that managers were competent to help that process to work." (1996 Interview, name withheld by request)

The senior staff member continued with his comments on 'Project 90' and explained the effect that 'Project 90' had in changing the organization's culture:

"I think it has changed the culture . . . my concern is that I some times think that senior management is so focused on business success, and keeping the city happy, that they pay lip service to their employees, and how they behave towards them. Part of the idea behind project 90 was to say that 'We value the people who work for us', when the chips are down that is not always very apparent." (BP senior staff member, name withheld by request)

Analysis

An organization like BP, i.e. an international conglomerate with many branches all over the world, the author believes it has many cultures or sub-cultures as they would have to deal with different kind of people wherever they go. From experience the BP staff from head office normally change their behaviour and attitudes towards the local people and community as appropriate.

BP, despite its organizational changes continues to closely resemble a Weberian/Fordist type of industrial organisation in that:

- It is à huge organisation which still operates in relative isolation.

- It is characterized by a large number of formal procedures.

- It still offers relative job security and employer loyalty and.

- Labour is still heavily divided on the basis of technical skills.

That said, two important differences between BP and the Weberian standard are noted in the preceding pages. The first is the significant public relations effort

underway at BP, at least in London, but probably in international operations as well. As discussed in previous chapters, Weber did not comprehend the important role of externalities and publics. Until recent years it is possible that the BP head office was paying more attention to its 'publics' than to its own employees. The BP program was clearly interactive, but the objective of the program was without question to gain support among important external agencies, e.g. parliament, for BP positions.

The second important difference is the obvious commitment to de-layering and employee empowerment evident in 'Project 90.' 'Project 90' is strong evidence that BP understands the criticality of agility in the modern, IT-equipped, globalizes, workplace. Weber, a victim somewhat of his time in history, did not foresee 'employee democratization.' Taylor, one suspects, would be quite confused.

5.2 The Local Oil Company

In a manner similar to that just undertaken in the descriptive analysis of BP, we now turn to the local, Abu Dhabi-based, oil company.

Historical Background

On 9th March, 1953 an agreement was signed between Shaikh Shakbout Bin Sultan, the then Ruler of Abu Dhabi, and D'Arcy Exploration Company Limited of Britannic House in London, granting

"the sole and exclusive right for the company to explore for, drill for, develop, produce, transport and dispose of oil within an area of the seabed and subsoil

240

lying beneath the high seas of the Arabian Gulf contiguous to the territorial waters of Abu Dhabi, and which had been proclaimed on the 10th of June 1949 to fall within the jurisdiction of the Ruler of Abu Dhabi."

The total area of the Concession was 30,370 square kilometres, and the Concession itself extended for a period of 65 years. The Ruler's income was calculated on a royalty basis, and the company was given the right to build and construct, free of all additional payments, all the facilities, which it may find necessary for its oil operations.

Article 26 of the Agreement specified that the company had the right to assign its rights, privileges and obligations under the agreement to a company incorporated for the purpose of operating the Concession.

In May, 1954 D'Arcy Exploration assigned all its rights, privileges and obligations as specified in the 1953 agreement to a local Oil Company, the shares in which were owned by BP Exploration Company (Associated Holdings) Limited (66.6) and Compagnie Francaise des Petroles (33.3).

Twelve years later, on 10th November, 1966 a supplemental agreement to the original Concession Agreement (the 1953 Agreement) was signed between the local Oil Company and H.H. Shaikh Zayed Bin Sultan Al Nahyan, successor to Shaikh Shakhbout. Under the terms of the amended agreement, the Ruler of Abu Dhabi was to receive 50 percent of the profits arising from the local Oil Company's oil operations in Abu Dhabi. Provision was also made for the relinquishment by the company of concession areas equal in aggregate to 15 percent of the unproven areas once every three years.

"In 1969, 1972, 1975, 1978, 1981 and 1984, other areas totalling 3,150, 2,810, 2,325, 1,901, 1,468 and 1,228 square kilometres respectively were also relinquished (see map No. 2). The grand total of areas relinquished by the company up to the end of 1984 was, therefore, 17,298 square kilometres." (Company brochure)

On 20th December, 1972 a new agreement, known as the General Agreement on Participation, was signed between the local Oil Company and H.H. the Ruler. Similar agreements were concluded with the Abu Dhabi Petroleum Company Limited and between the Governments of Saudi Arabia, Kuwait, Qatar and Iraq and the principal companies operating in their territories.

Under the terms of this new agreement, provision was made for the Government of Abu Dhabi, if it wishes, to buy interests in the local oil company Concession at varying yearly intervals up to the value of 51 percent of the shares of the company by 1st January 1982. Twenty-five percent was immediately acquired by the Government, and provision was also made (Article 8) as specified in the agreement to a Government-owned national oil company.

On 26th December, 1972 BP announced the sale of 45 percent of its shares in the company BP Exploration Company (Associated Holdings Limited), which held the BP shares in the local oil company, to a consortium of Japanese companies. The Japanese consortium, substantially Japanese Government-financed, and now known as Japan Development Corporation (JODCO), thus became an indirect partner in the local Oil Company. The holding company subsequently changed its name to BP-Japan Oil Development Company Limited

(BP/JODCO) and through it, taking account of the acquisition in 1974 by Abu Dhabi of a 60 percent share in the Concession and rights to oil. The Japanese acquired rights to oil amounting to 12 percent of the total.

On 2nd April, 1977 the Implementing Agreement of the Participation Agreement was signed between the National Oil Company (NOC) and its partners in the Concession, the owners of the local Oil Company. Subsequently, the local Oil Company was established when Law No. 6 was promulgated on 3rd July, 1977. The company's first Board of Directors met on 10th August, 1977. On 1st October of the same year, the local Oil Company formally took over the operations of the Concession, which so far was operated by the foreign partners. Ownership of the company was divided in the same proportion of ownership of the individual shareholders in the concession.

"These shall be established under the provisions of this law (Law No. 6 for1977). Shareholding company with limited liability to be named '_____', which shall be governed by all legislation in force in Abu Dhabi. The company shall have an independent body, and full competence to attain its objectives." (Article 1, Law No. 6 for 1977)

Company Objectives

After its establishment, the company determined and listed its objectives. Next under is a summary as specified by the company's manual.

"1. To conduct the operations in Abu Dhabi to the best advantage of the Shareholders.

2. To ensure the continued operation and development of facilities and to explore the concession.

3. To produce at the terminals oil, gas, and associated products in the quantities and to the qualities required by Shareholders.

4. To present to the Shareholders through the Board, planning options for production profiles according to agreed criteria and to develop the selected options into definitive plans.

5. To develop work programmes and budget for the definitive plans, and to manage these work programmes at minimum cost consistent with safe and efficient operations.

6. To develop and operate the reservoirs, production and export facilities in accordance with good oil-field and engineering practices.

7. To develop and comply with the Implementing Agreement and Articles of Association in the development and application of personal policies and systems of accounting.

8. To ensure that personnel are properly selected, trained, appraised, ruminated and developed, so that all activities are effectively manned and the potential of individuals realized.

9. To operate in accordance with the laws and regulations of the State, the terms of the Concession Agreement, and those agreements which affect the company and the Shareholders.

10. To fulfil the company's responsibilities as a member of the Social and

Business Community in Abu Dhabi." (Company Manual, 1974)

The Company Organization

Internal

The operating body of the company consists of General Management and three main Groups in addition to the General Manager's Group. Headed by a Group Head, each Group is charged with the performance of an essential part of the company's work, and each Group Head is directly accountable to the General Manager with regard to the results expected from and the objectives set for his Group. Each Group is subdivided into a number of Divisions, Departments and Sections or Units, as will be addressed below.

"The organization of offices follows the principle of hierarchy; that is,

each lower office is under the control and supervision of a higher one."

(Weber, 1978, p 218)

General Management

General Management makes company-wide plans, programmes and decisions in line with the Board of Directors' approved policies and objectives. It comprises the General Manager, Deputy General Manager (Operations), Assistant General Manager (Technical) and Assistant General Manager (Administration).

General Manager's Group

This comprises Das Island Services Division, Corporate Planning & Budgeting Dept. (CPBD), Internal Audit Dept. (IAD), and the Organisation Development Dept. (ODD).

- Das Island Services Division is responsible for co-ordinating general and municipal services. Manager Das Island (Services) is the GM's representative on Das and is responsible for liaison with all external organisations living on the Island.

- CPBD, IAD and ODD are responsible for the General Manager for the coordination and integration of Planning and Budgeting and Internal Audit services and advice, beside the provision of the consultancy and advisory services in the areas of company organisation, establishment reviews, working methods, systems and procedures.

Operations Group

Contributes directly to fulfilling the main objective of the company, which is the production of oil and gas. It is responsible for drilling of wells, operation and maintenance of production, treatment, processing, storage and loading facilities on Das Island, as well as the supply of gas to Abu Dhabi Local Gas Liquified Natural Gas Plant. It is also responsible for telecommunications and marine support services.

Technical Group

Responsible for the provision of technical functions such as development of oilfields, reservoir management, engineering work as well as commercial and safety services.

Group Hierarchy

The structure of the Group hierarchy comprises Divisions, Departments and Sections/Units, as shown hereafter:
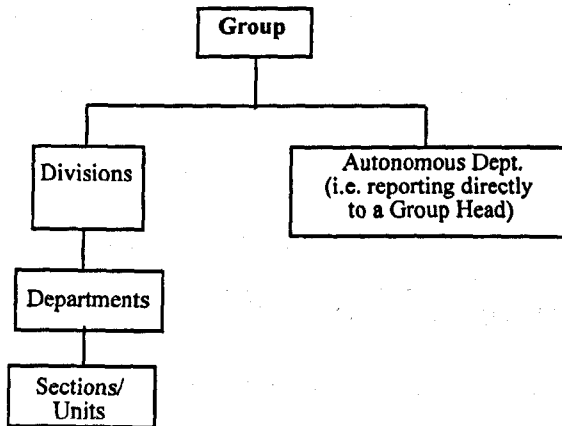
- *Divisions.* Each Division performs a number of different but interrelated functions. Each Division is headed by a Manager reporting to a Group Head except Manager Das Island (MDI) who is reporting to the GM.

- *Departments.* Each Department performs a specific main function assigned to a Division or a Group. A Department Head may report to a Divisional Manager or a Group Head. In the later case, the Department is called an Autonomous Department.

- *Sections/Units.* These are responsible for specific type of work assigned to a Department or a Division.

The company's organization reflects its size, the nature of operations and the variety of locations in which it operates. A major re-organization was conducted in May-June 1993 in order to identify more areas of gains in performance and cost effectiveness. The basic concept behind this re-organisation is to evolve more responsibility to asset groups, allocating responsibilities to sites and thereby

247

allowing a degree of delayering to reduce bureaucracy, streamline onshore

support. (The Company G.M.)

Communication in the Local Oil Company

- Communication is the transfer of information and understanding from one
  person to another. It is the way of reaching others with ideas, facts,
  thoughts and values.

- Notwithstanding authorities and approvals required for various activities, it
  is the Policy of the local Oil Company to encourage appropriate
  communication within the company. Hence, the local oil company utilizes
  the three main types of communication, namely:

  - *Downwards* - from top management, and this is related to obtaining
    action through the exercise of command and authority. It is also
    related to control and is the main method of letting employees
    know about objectives and policies of the company.

  - *Upwards* - to top management, and this is related to participation of
    employees (morale), and feedback on policies and action taken.

  - *Lateral*, between the same levels of different
    Divisions/Departments.

"Communication is very essential to coordination and Company

integration, as it provides information, the very essential medium of

coordination" (Company Brochure, 1996)

Co-ordination in the Local Oil Company

Coordination, one of the principal elements of organization, can be defined as 'the deliberate and planned unification of effort.' It also means the following by different Departments of common policies in different areas (e.g. purchase, personnel, etc.) which do not conflict with one another. (Company document, 1997)

Co-ordination of activities in the local Oil Company is related to:

- communication between various Departments and/or levels

- cooperation of employees in carrying out the co-ordinated activities

- control of activities

The policy of encouraging coordination has been reflected in formal bodies (Committees) in specialized functions at the three main organizational levels of the company, namely, General Management, Group and Divisional levels.

External

The company recognized that it is essential to have a regular contact with other organizations in order to carry out its day-to-day operations. These contacts are done with different Government departments, suppliers, contractors, shareholders and the General public.

Other Organizations

The local Oil Company maintains contact with many other companies such as engineering companies who provide technical services or supply technical information related to its operations. Similar relationships with the telecommunication company, recruitment and training companies, suppliers who

supply material, maintenance companies, and the other companies who are dealing with oil spills.

"Company functions which are clearly classified as day-to-day routines may be handled by the Division/Department concerned, directly with outside organisation." (Company Policy, 1996, p 1/2)

Political Actors

The company is based within a traditional society and its interaction has to be handled carefully. For it to ensure proper follow-up of matters of interest, the company restricts this contact to Management and the Local Relations section of the Public Relations function.

"In all cases where discussions need to be held with Government officials concerning matters of company operations, it is the responsibility of the General Management, who will be advised by the Head of Local Relations". Divisional manager concerned should consult Head of Local Relations before any approach to Government is made." (Company Policy, 1996, p 1/6)

The areas of contact are many, ranging from interpretation of concession agreement to the issuance of driver's licences and residence permits. In addition the company is some times called to provide other services for the Government bodies.

The General Public

By virtue of its status as a major oil operator and large employer in Abu Dhabi, the company is a focal point for the media, economists, researches, and representatives of general public organization. The company has been approached by private sector organizations for one sort of contribution or other, i.e. educational, sport, charitable, and environmental protection organization.

The company, because a large number of its workforce are fully integrated with the local society, feels morally obliged to contribute towards the maintenance and improvement of certain facilities and amenities, directly or indirectly, of common benefit to its personnel and their families.

"In line with company policy of promoting good community relations, the company was also involved in nationwide events such as World Environment Day, Gulf Handicapped Day, Traffic Week, Chess Festival and UAE National Day." (The Company Annual Review, 1996, p 17)

Procedures
Recruitment

"The calibre of new recruits is of obvious importance to an enterprise. Not only should new recruits make an immediate contribution to output and services, but they should also strengthen the future prospects of the organisation." (Saleh Nasser, Human Resources Manager, the local oil company, 1997)

The above-said factors have always underlined the need for efficient recruitment and selection practices. The company before the research begins has three initial conditions to be fulfilled:

- Confirmation of the need to fill the vacancy.

- Reference to the manpower plans to check on the overall situation.

- Completion of appropriate job analysis and specification.

With the company, vacancies usually arise because of the departure of an employee or because a new position has been created. The company operates the system of job requisition, which have to be counter-signed by the General Manager of the company. The recruitment begins within the organization, thus assuring employees of avenues for promotion. If no internal candidate is found then the job is advertised externally. The selection process then begins, as it is the last stage of the decision making in the recruitment process.

The company policy in this respect states the following:

"Before advertising externally, manpower resources unit will ensure that line managers have given serious consideration to candidates within the company to fill vacancies by transfers or promotions." It goes on to state the system of recruitment - *"To fill vacant positions provided for in the approved establishment, line managers will raise a recruitment registration specifying all details relevant to the post" - recruitment requisition will be endorsed by Group Head and approved by the General Manager."* (Company Policy, 1990, Page 1/312)

After advertisement is made, the recruitment procedures are carried out by the Human Resources Division in conjunction with the line managers. They will participate in the interviewing and evaluating of the candidates' skills and aptitudes. The company places emphasis on aptitude and personal characteristics, which might determine how well a candidate will fit into the company and skills evaluation to see his suitability to the post.

"All prospective candidates whether internal or external will be interviewed by manpower resources unit and line managers and proper interview record note prepared by each interviewer". Prospective candidates may also be required to sit for certain trade tests to assist in assessing their general or technical competence."* (Company Policy 1990, page 1/316)

At the selection process the company tries to avoid standard/intelligence tests as they see it, it does not fit with the Arabic environment, unless they are otherwise have been amended to cater for certain Arabic culture i.e. Local element.

"Candidates are selected on the basis of technical qualifications. In the most rational cast, this is tested by examination or guaranteed by diplomas certifying technical training or both." (Weber, 1978, p 220)

New engagements are accorded on their first arrival in the company to a familiarization programme. The management representatives make arrangement to familiarize the new employees with the working organization, safety measures, general conditions of employment and the work of the divisions he has to work in.

"It is necessary that new engagements are cleared on arrival at Abu Dhabi or Das Island airport by company representatives to ensure that visa formalities are properly completed with minimum delay. Thereafter, it is essential that a member of the division in which the newcomer will be employed is nominated to assist him from time of arrival until he is settled in allocated accommodation and ready to start work. The induction course for new comers are held in Abu Dhabi and Das." (Company Policy, 1990, p 1/318)

Promotion

The company management believes that the promotion or in the other word career development is an essential part of its function in order to keep the balance of its manpower.

"Management has to build up the skills and experience of personnel over time to meet changing manpower requirements resulting from organizational growth and personnel movement initiated by promotions, transfers, resignations, retirements and withdrawal." (Company Policy, 1989, p 7/11)

The company has a standard system to cater for career development and a written procedure. The performance approval is used as a method of evaluating employees' current work performance and agreeing on future objectives and identifying their potential for promotion. This system closely conforms to the Weberian conceptualization of promotion within bureaucratic organizations. (Weber, 1978, p 220)

The line managers are directly responsible for the career development of their subordinates. It follows that they initiate training requests for their personnel to maintain and improve their performance and to develop them further.

Discipline and Dismissal

The company has a set of written rules and procedures of each function of its operations to determine the function of each department, unit. They also define the day to day responsibilities of to job officers and the delegation of authority, according to the set of terms of reference of each Division.

The procedure involves cross section of activities pertaining to each division and they cover all areas of the responsibility of that division.

"Administration acts, decisions, and rules are formulated and recorded, even in cases where oral discussion is the rule documentation is mandatory (sic). This applies at least to preliminary discussions and proposals to final decisions, and to all sorts of orders and rules. The combination of written documents and continuous operation by official

constitutes the 'Office Bureau' which is the central focus of all types of

modern organization. " (Weber , 1978, p 219)

The company put the rules and procedures in order to govern conduct at work, it provides the control, and by penalties may be visited upon employees for breach. There are many rules which are set up such as safety, production, no smoking, drunkenness, dismissal, promotion and rules pertaining to all administration aspects.

The company policy, which is available at the library so that all those concerned, will not break the rules and if they did they know what they expect.

"A high standard of discipline is necessary to ensure that the company's

operations are carried out safely and efficiently. " (Company Policy, 1989,

p 9/1/7)

Wages and Bargaining

Compensation administration refers to the manner by which employees are rewarded for the efforts they contribute toward the goals of an organization. Although when an individual first considers the notion of compensation for work, he or she may only give consideration to the hourly wage or salary.

Direct wage and salary payments may only constitute a large percent of a total compensation package. Today, a considerable portion of an employee's total remuneration is in the form of company benefits and services. The company

provides workers with certain tangible benefits and services over and above the basic paycheck, such as extra leisure, extra income, and a better work environment for employees. Protection against accidents, unemployment, illness, and loss of income are also provided through such company benefit plans.

"Salary administration is a system of salary/wage structure based on an inter and inter organizational job rate comparisons and reinforced by controls to ensure the consistent and equitable application of the system." (Company Policy, 1994, p 3/211)

The objectives of the salary system is to attract and retain sufficient and adequately experience personnel, to establish equal pay for similar jobs and reorganizes and motivate personnel of their contribution. The company employees are paid in accordance with integrated grades and salary scale applicable to all employees across the company at different locations.

"They are remunerated by fixed salary in money, for the most posts with a right to pensions. . . The salary scale is graded according to rank in the hierarchy, but in addition to this criteria, the responsibility of the position and the requirements of the incumbent social status may be taken into account." (Weber, 1978, p 220)

The Company's Culture and Values

Scholars cannot agree on a single definition of culture. The anthropological, sociological and management literatures offer many alternative definitions. However, for our purpose a definition used by Geert Hofstede (1984) will be used:

> *"The collective programming of the mind which distinguishes the numbers of one human group from another. . . culture, in this sense, includes systems of values; and values are among the building blocks of culture."*
> (p. 21)

In an organization there are deep-set beliefs about the way work should be organised, the way authority should be exercised, people rewarded, people controlled. What are the degrees of formalization required? How much planning and how far ahead? What combination of obedience and initiative is looked for in subordinate? Do work hours matter, or dress, or personal eccentricities? What about secretaries and incentives? Do committees control, or individuals? Are there rules and procedures or only results?

The visible form of the culture will be in the organization offices, the kind of people it employs, the length and height of their career organizations, their status in society, level of education.

The company is a multi-national company with an international shareholders and multi-national workforce, i.e. 34 nationalities. The UAE, due to the large expatriate workforce, routinely experiences multi-cultural challenges that industrial organizations elsewhere in the world never confront. As in other multi-

national environments, individuals from the same mother country often form sub-cultures in the industrial setting. This expatriate nationality cluster relationship is well established in the company informal organisation despite rules and regulations discouraging such groupings, which have been established for the last 35 years.

The company has a five-year Business Plan, which is about 70 percent followed and carried out. However, due to the National Oil Company holding majority share holding, some times they change, e.g. the number of the drilling rigs have been either reduced or increased depending on the oil market.

The company employees are well dressed and the working hours are adhered to. The formal organization is well observed. However the informal one is there as mentioned earlier in the grouping of some nationalities. The control is in the hands of some individuals despite the set systems, rules and regulations, and it is not because of strong personality or professionalism, but because of the personal relationship. The company has a highly stabilized workforce and they are well respected in the society. The office modernization is well established where computerization is used by most of its employees and the Internet and E-mail is underway.

Although the company is considered to be a local company established in accordance with the UAE's law - where the official language is Arabic, yet the official language of the company is English and most of the correspondence is made in English. Furthermore, any recruits who are trying to enter the company must have basic knowledge of the English language.

"Nowadays, the manager who speaks his/her own national language and English is far better placed than the manager restricted to the international language of English, and multinational that uses English."
(Meed, 1994, p 415)

The company's organizational structure is a mixture of many thoughts and as the head of organization development put it:

"We believe that our organizational structure is based on a mechanistic, human relations systems and communication theories as each emphasizing one aspect or other of the organization. But whatever emphasis made, he added, one thing is certain, that our organization is a dynamic and flexible entity which varies not only from one concern to another, but also from time to time." (Head of Org. & Dev., 1997)

So the company has a hierarchical organization which is basically a bureaucratic one. However the flexibility is there for the sake of change when needed and a delaying is done from time to time.

The company is governed by a board of directors who are responsible for the overall policy and is run by General Management who are responsible for the operation of the day to day running of the business, through a hierarchical structure of subordinates, managers down to foremen and supervisors.

The company puts an emphasis on its recruitment and selection policy as the stability is considered to be a priority for the company management. The process

of recruitment and selection is normally delegated down the hierarchy, but the final decision is made by the Group Head and the General Manager, as they believe that the candidates personal commitment can be achieved by involving their sub-ordinate in the process of appointment to both parties.

The company usually gives the chance to its internal employees for promotion or lateral transfer so that high morale can be maintained. The process of promotion is usually done in a scientific way. The candidate's background and technical qualifications are considered. Sometimes, however, this is not done, i.e. senior appointments in the organization are made to a large degree on the basis of personal relations rather than base the selection on key competencies and compare candidates with these 'job' and 'personal' specification. The 'best' person for the job is not always a criteria for selection for promotion.

The company have programmes of socialization and induction for its new recruits, as it believes it is very important part of the company's culture to socialize the new comers to its environment and make him/her familiar with its value system and corporate culture. The corporate culture of the company is normally determined by its Board and top management, and it is usually headed either by a French or an English ex-patriot.

As part of the Company's cultural change, inevitably the General Manager will bring with him/her their own particular culture which will, to a greater or lesser extent, blend with existing normas, values and behaviour to bring about 'cultural change'. Though some of them try to adapt the company's culture, others try to force theirs in, resulting in a 'culture clash', especially with the nationals, e.g. the rule in UAE allows UAE nationals to have a private business provided that it has

nothing to do with the organization they work for - some general managers do not have confidence in that system and they try to stop the promotion or movement of these nationals. Another example is that some nationals are financially well off and own the latest cars in the market. The western managers see that these people do not need to work for salary and their motivation is questionable and, therefore, should not be given a chance in the company.

However, some General Managers, as has been mentioned, will adapt to the national culture and will even make a decision which goes against their beliefs. If they were in London or Paris their decision will be different from what was taking place in Abu Dhabi for the same matter, according to one General Manager of an oil company.

The company has procedures, rules and contractual arrangements to deal with the staff recruitment, selections, dismissals, financial matters, rewards, promotions and discipline. The Personnel Division has clear function to interpret the written word and to know the precedents from its implication. However, personal influence is noticeable.

The company develops its own reward structure. They have a salary structure for every job specification. Their rewards and punishment are attached to various laid down behaviour and values of both individual managers and the organization. The company status system maintains certain aspects of its culture, e.g. the closed offices are for departmental head and managers, secretary and car park facilities are also other examples.

5.3 Comment

The local Oil Company is essentially a dynamic organization; it has responded to business changes in the last few years and modified its structure accordingly. While change on a major scale is unlikely to occur again in the foreseeable future, adjustments will need to be made from time to time. Emphasis will also be placed promoting effectiveness and efficiency of the company business. A simple version by way of explanation here is that 'effectiveness' *is doing the right things*, whereas 'efficiency' *is doing things right*. 'Efficiency' alone is fine, but only when it is the *right* things that are being done.

The company has Weberian bureaucratic features, i.e. set norms and enforces them; it has rules and regulations, and issues orders which are obeyed and this contributes to its ability to function effectively. The company uses its power to make these participants obey by rewarding those who follow its rules and to penalize those who do not. It has a system of seniority among officials, which is governed by a job description and the appropriate authority. They are arranged in a hierarchy and records and rules are written and can be retrieved if there is any doubt at any time. Pugh summarized Weber's conception of bureaucracy as:

"There is a series of officials, each of whose rule is circumscribed by a written definition of his power. These offices are arranged in a hierarchy, each successive step embracing all those beneath it. There are a set of rules and procedures within which every possible contingency is theoretically provided for. There is a 'bureau' for the safe-keeping of all

written records and files, it being an important part of the rationality of the

system that information is written down. A clear separation is made

between personal and business affairs, bolstered by a contractual method

of appointment in terms of technical qualifications for office. In an each

organisation authority is based on the office. Commands are obeyed

because the rules state that it is within the competence of a particular

office to issue such commands." (Pugh, 1990, p 5-11)

Having said that, there are some local features which added to the bureaucratic

feature or diverted from it. Such as the impact of personal relationships in the

process of recruitment and promotion; the power is centred around certain people

despite the clear structure of the hierarchy and the grouping of certain nationalities

to create the informal organization within a formal organization (state within a

state). The 'hidden agenda' of these senior individuals can clearly be differentiated

from that of the organization. Perrow (1970, p 134), argued that many members may

have individual goals which make it difficult for them to subscribe to what they take

to be the institutional objectives. Again, this personal relationship has a major role

in the decision making process of the company at the top of the hierarchy.

The company had started to use the Information Technology (IT) whereby it is

going through a process of full computerization of its records and using the Internet

and E-mail between its employees and external organizations.

The above will have an effect on its way of work whereby the office may

become an electronic one and the work is done by machines as one official put it:

"Technological advances have produced capabilities for a wide range of new information transfer systems covering the whole area of production and administration. Computers are used in a number of areas for automated abstracting, indexing and retrieval systems. More recent advances in both computers and telecommunications are providing increasingly economical capability for direct personal interaction."
(Baqsheer, 1997, Quote at interview)

In the local Oil Company one may think that the introduction of the new technology will make the organization smoother and a lot of routine tasks disappear. This, to the author's knowledge, did not happen and on the contrary, the company had employed more people and more resources has been spent in machines and this could be as a result of mis-management.

5.4 Conclusion

Although the Oil Company is undergoing domestic, radical changes, they are still bureaucratic. Even though BP has undergone a total re-organization in 'Project 90' and has implemented the latest structure design, implementing new technology, and the Information Technology, oil company still characterized as follows:

- Division of labour

- A well defined hierarchy

- A formal system of rules and regulations

- Interpersonal human relations

However, over the past decade the oil companies have been committed to stimulating new structural changes, in line with the different inter-discipline perspective of economical and oil market development. In the early 80s, there were specific trends in management modernization, which involves:

- Service and client orientation

- Business like and quality control management

- Introduction of Information Technology

- Use of less rigid procedures

- De-layering of structure

- Delegation of authority and industrial democratization

The oil industry, as the leading sector of the economy, plays an important role for the business community. It provides the fuel for the industry and in some countries the major contributors to the GDP, which aids in decision making process. They are responsible to their shareholders and are profit makers and big contributors to Governmental budgets, through either the taxes or profit sharing as in the Middle East. They are also responsible for delivery of social, economic and interact daily with other business in the cities and their communities whose demand for community services becoming increasingly more and more. And, in general, their activities and objectives are as follows:

- Exploration and production of crude and natural gas;

- Refining, marketing, supply and transportation of oil and gas;

- Manufacturing and marketing of petrochemicals;

- Reduce the effect of their operations on the environment, protecting the
  health of their employees and communications in which they operate; and

- Sustain a competition return to their shareholders.

The complexity and intensity of the interaction with other industry and the introduction of the new technological tools have increased the pressure on management modernization, expressed in the quality control requirements and the entire requirement of cost reduction approach.

Social, political, economical and technological conditions of the work have changed drastically in the last two decades. Nowadays, the new technology and the easiness of the modernization is felt not only as far as decentralization and de-concentration of power are concerned, but also in terms of globalization and change in values and culture of other society and the mode to global village created favourable conditions for the management of the oil companies to modernize.

Furthermore, this model is as applicable to oil companies operating in the Middle East as to the one operating in the West. However, there are some local features, which were adopted due to the culture of the countries they operate in.

The rules, procedures and administrative devices create sometimes problems for those in charge of the organization are all means by which power is exercised. The so-called 'dysfunction' arising within an organization are, in effect, limitations on the successful exercise of power within the organization. These contradictions relate in large part to structural problems in the society outside the organization, i.e. the dominant coalitions within management who make the strategic operating decisions for the organizations are, correspondingly, not fully autonomous being but are people operating within tightly bounded constraints set by external factors.

As Stewart Clegg (Power, Rule and Domination, 1975) has suggested, it is not legitimate for power to reside in individuals or groups within organizations. The

great freedom to act on one's own initiative, rather than other organizational

members is dependent on their relationship to the power located in the 'deeper

structure' of the society in which the organization is located. However, this

'individualism' serves to undermine the organizational integration and its impact on

the pursuit of the achievement of corporate business objectives.

CHAPTER 6

Strategy to Task: Public Relations at the Operational Level

6. Introduction

This chapter examines and analyses the specific tasks and responsibilities of the Public Relation Office within a prominent national oil company. For the remainder of this chapter this organization will be referred to as the 'local company.' This absence of direct attribution is a necessary aspect of this research, in that the author's permission to study and analyse this company was conditioned with this restriction. The reality that such a restriction would be a requirement may help the reader to better understand the traditional cultural milieu of the UAE.

This chapter describes the functions of the company's public relation's staff in detail, effectively contrasting these functions and practices with the theoretical literature introduced in previous chapters, and as well contrasting further the practices of British Petroleum and the national oil companies of the Arabian Gulf. In this regard, it is the author's view that the public relations procedures and tasks described within this chapter are quite typical of other public relations functions in Arabian Gulf traditional settings, yet at the same time quite different in certain aspects from public relations activities in the West.

The company's literature describes the mission and function of its Public Relations Office as follows:

"The function of the Public Relations Department is to provide a service to management and to company and personnel as appropriate at various levels, in the field of Government, Legal and Public Relations. As a member of the National Oil Company's Group, the Company, through its Public Relations Department, co-ordinates its activities with other Group members."

The statement goes on and elaborates further:

"By nature of its activities Public Relations must be sufficiently flexible to allow spontaneous adjustment to the changing circumstances in the political, economical and social environments surrounding the company and its operation. To this extent it is difficult to lay down rigid rules that govern the functions of Local Relations."

As for policy matters the statement describes the Company's point of view as follows:

"The responsibility for relations with the Government of Abu Dhabi or Federal Government concerning policy matters is invariably a function of senior management and the Head of Local Relations - other Division/Department heads who are in doubt about the definition of "policy matters" should always consult with Head of Local Relations, before taking any action." (The Company Policy Manual, 1997)

The reader will note that, in effect, the above statements represent a non-specific, normative statement of the mission and function of the Company public relations function. In effect this statement is a tacit acknowledgement by Company management that a measurable, well-defined, statement of the goals and objectives of their public relations function is not possible – because without question if greater specificity were possible it would be provided. The statement is clearly implicit rather than explicit. Acknowledging this inability of outright expression, or, at a minimum, the impracticality of describing the pubic relations function in specific terms, the Company's management later acknowledges the dynamism of the public relations practice through their inclusion of the requirement for "spontaneous adjustment to changing circumstances." The public relations role is largely all-embracing with a responsibility for most external contacts.

The following is a more specific listing of the tasks the Company expects its public relations practitioners to perform:

Managerial Role

- Plans, directs and supervises the activities of the Local Relations Department.

- Performs supervisory functions and exercises financial authority at the Divisional Manager's level.

Budget Preparation

- Directs the preparation and presents the Division's budget for Management's approval.

- Controls expenditure through signing all forms and ensures that the

variances between the approved budget and actual expenditure are properly justified and accounted for.

Policy Development/Advisory Role

- Plans and develops the Company's policy in respect of Employee, Public and Government Relations. Discusses and agrees, in regular meetings, major policies with General Management.

- Provides General Management and Divisional Managers with advice on interpretation of relevant labour and social laws and the legal implications of Company' activities in the field of labour relations by responding to queries or through own initiative,

- Maintains close personal contacts and/or attends meetings/conferences with, and engages in discussions with various governmental authorities, including the : Ministry of Labour, Supreme Petroleum Council, Chamber of Commerce, . . . etc., to keep abreast with latest developments/changes of local news and regulations, studies which impact upon Company's activities, and recommends to General Management necessary amendments/actions.

Employee Relations

- Plans, directs and supervises the activities of the Employee Relations function to ensure pan Company prevalence of industrial peace by identifying potential problem areas and solving disputes at early stages.

- Alerts line and general management through the Employee Relation's Committee meeting and regular visits to operational sites of

employees' trends and opinions, co-ordinates with Divisional

Managers concerned and formulates/recommends suitable solutions to

ensure smooth and efficient running of operations and/to meeting

Company's objectives.

Public Relations

- Plans, directs and supervises the activities of the Public Relations

  Department's activities. This includes developing programmes of

  public and social relations activities including general and ine

  management's involvement in the public relations effort. Examples of

  this include advertising and dissemination of information through local

  and/or external information media like: local and foreign press

  reporters, TV, radio, inviting educational/cultural lectures, . . . etc. to

  ensure proper understanding of Company's involvement in the

  Country's social and economical prosperity.

- Ensures provision of efficient translation services offer all Company's

  Divisions and that all translated and published/edited materials serve

  the proposed purposes/objectives.

- Liaises with General Management and Local Authorities and develops

  programmes for and/or accompanies visiting V.I.P.s.

Government Relations

- Plans, directs and provides overall supervision and guidance over the

  Government Relations function, includes liaising with, and when

  necessary, negotiating with Governmental officials on matters relating

  to the Company and its policy.

- Ensures the provision of Company's assistance such as bailing out to
  personnel involved in legal proceedings with the authorities.

- Advises concerned Governmental authorities of Company's inevitable
  forthcoming measures such as changes of conditions of
  services/redundancies, . . . etc. to ensure proper understanding, warrant
  consequences and maintain good rapport.

Other Related Duties

- Performs other related duties such as: representing the Company in
  joint ventures and/or participating in regional and local
  conferences/seminars, analysing public opinions and writing reports,
  providing advice/assistance as and when required, . . .etc.

The reader will note that the above, while seemingly specific on occasion, is
nonetheless descriptive rather than proscriptive in nature. It lists responsibilities
in general terms, but does not suggest in any precise way how these duties should
be performed, or indeed what Company goals or objectives are furthered by
excellent execution of these responsibilities. The reader will further note that
many of the duties assigned to local relations are non-informational. Many appear
to fall within the realm of personnel management, some appear functional in
nature, i.e. translation, bailing out company employees from jail, etc. Clearly
what these duties have in common is that they involve coordination with the
external 'traditional' environment in some way. It should be noted that in the case
of employee relations, this function is charged with promoting harmony. But, in
the oil industry of the UAE, employees can also be thought of as an external
public in some ways.

The Company's employee pool is composed of a combination of expatriates from more than fifty countries with skill sets ranging from very highly qualified oil industry professionals to barely literate (and in some cases illiterate) third country nationals from the developing world who perform unskilled heavy labor. UAE national citizens are also present in the oil company workplace. These 'nationals' are often young and inexperienced. Many will be highly educated often in the USA or UK. Several nationals may be members of prominent families – as discussed above. This family 'credential' is extraordinarily significant to job placement in traditional societies. In sum, a less homogeneous workforce is difficult to imagine. And, the company public relations function is charged with keeping this 'team' together and productive.

In sum, the tasks assigned to the Company's public relations function are many and varied. These tasks include that which we might describe as traditional, Western-like, high-level representation to the government. Given the overwhelming significance of government policy to the company, it is unsurprising that the focus of traditional public relations activity for the Company would be the direct representation and lobbying of its most important patron and customer. Because of the significance of the relationship between the Company and government agencies, the Company's public relations practitioners are awarded great flexibility in this area. The tasks of the Company's public relations staff also include very non-traditional responsibilities for employee management. This non-traditional tasking is certainly the result of the non-traditional, multi-cultural workforce. Perhaps the most interesting aspect of the Company's public relations activity is the pro-active responsibility assigned to the 'Local Relations'

staff. These public relations professionals are expected to represent the company to the society at large, and we will recall the many and important differences in culture between the Company leaders and the societal leaders.

Ultimately, it is this difference, the difference in language, perspective, history, religion and norms between societal leaders and Company leaders (other than Company public relations leaders) that have created the pro-active, entrepreneurial role for the public relations staff. In Western culture the leaders of industry are of and from the community elite – in the case of the insertion of a Western industrial bureaucracy within the UAE, the leaders of industry are foreign, alien, and ultimately different. This situation is of course not envisioned by the theoretical literature. And without question this unique paradoxical situation drives the role of the public relations practitioner that we will witness in the case studies which follow.

6.1 Public Relations in the Private Sector

The private sector in the UAE is composed of tens of thousands of import and export merchants and trading companies, a great deal of light industry, small scale foodstuffs, construction firms, and the like. The UAE is not pleased with the lack of development within the private sector, since most of the companies and banks are owned by the government, and has taken a number of steps to increase the strength of the private sector and the speed of privatization. Among these steps is the incorporation of an aggressive 'offset' program, which requires foreign firms to directly invest in the private sector as a condition of a large sale to the UAE of particularly defense articles.

This section will describe and analyse the pubic relations function as it is practiced within this UAE private sector. It is important to begin this process by describing the public relations functions as it is understood not only by the private sector within the UAE, but indeed by the majority of the Arab world, and particularly within the Arab Gulf.

"Processing documentation and application forms for the organization and its employees, their families and its visitors such as; obtaining, renewing, cancelling no objection certificates (NOC's), visas, residence permits, security pass in case of oil fields, renewing passports from Government Departments and from foreign embassies."

So from the above definition we can see the Public Relations Officer (PRO) as it is called in the private sector has certain duties which s/he performs and they include the following:

- Participates personally and ensures that a variety of documents and application forms on behalf of the Company, Company's employees/visitors and employees' families for obtaining NOC's, visas, security badges, liquor permits and renewal of passports, residence permits and driving/vehicle licenses and cancellation of same are prepared and submitted to Government Ministries/Directorates and/or Embassies for necessary processing.

- Maintains a follow-up register to ensure that submitted documentation is collected on time.

- Clarifies queries raised by officials includes liaison with and/or accompanying concerned Company's employees (when requested) to follow-up own cases personally.

- Ensures that all necessary fees are paid against official receipts, produces daily statement of account supported with necessary documentation and submits to Supervisor for refund from concerned employees.

- Ensures that all submitted documentation are collected on time, notifies concerned employees and handles personally such processed documentation securing employee's signatures.

- Ensures that the comprehensive computerized 'Bring-up' system is updated.

- Liaises between the Company's employees travelling on duty and concerned Embassies' Officials and ensures that foreign visas are endorsed on concerned employees' passports includes: vetting/checking accuracy of typewritten visas application form.

The reader will note that many of these functions appear routine in nature, duties that would be performed by a personnel office, administrative office, human relations office, or indeed by the employees themselves in a traditional work setting. It is important to realize that the barriers of language and culture make these tasks virtually impossible for expatriate employees of foreign companies to perform without knowledgeable assistance from a PRO. Many would argue that the PRO is the most important integrating link within and beyond the Company.

Normally the qualifications for PRO is a secondary education and the ability to coordinate the organization's (and importantly the organization's multi-national

employees) orientation to the local community and to the many requirements of the local bureaucracy. A necessary skill for PROs is exceptional language, communication and cultural skills, and the ability to reach closure in a local bureaucratic setting not always approachable to non-members.

So, it is clear that the public relations tasks performed by practitioners in the private sector of the UAE is quite different than any of those encountered in the theoretical descriptions of earlier chapters. Indeed, the tasks performed by PROs is both more and less than envisioned by the formal literature. The Public Relations function of any Arab Gulf organization contains the representational tasks that create organizational image and support organizational strategic goals. is increasingly blurred by the information revolution, but this is today less so in the case of the UAE than in the more developed countries of the West.

The expectation of the community is a sense of social responsibility from the organisation. Good community relations in a practical sense means the protection. However, the function also contains responsibility for routine administrative documentation where the purpose is to mitigate the cultural differences between organizational members and the hosting environment. This task specifically involves the preparation of documentation such as passports, visas, work permit and similar jobs. In this sense, the public relations function may seem a bit pedestrian. But, as mentioned earlier and as well documented in the case studies, public relations practitioners can and frequently do broker agreements that make and/or break important relationships with external publics. The practitioners represent the organisation to important external 'publics,' whose consent to specific undertakings is non-trivial to organizational success.

Private sector public relations does not now include the sophistication and lobbyist practices of the Company's public sector activity. Very typical of traditional societies throughout the world, privatization has yet to make serious inroads into the UAE industrial sector. Thus the importance of the government to large organisations is difficult to overestimate. Yet, even within the small private sector that does exist, the function of lobbying the government occurs in other ways. The owners of private sector organisations are culturally in tune with the 'traditional' society. These 'bazarri' are often from important families, families able to lobby government leaders at the 'Majles' level. In this sense, within small private sector companies and organizations, the owners themselves perform the important pubic relation's task of 'government relations.'

Because the Company's government relation's function is the closest approximation to the traditional pubic relation's activity described in the theoretical literature, we should ensure that we understand this function in greater detail. As will become evident, this function includes all of the tasks and techniques found in the literature, but the traditional society provides unusual opportunities for creativity on the part of public relations practitioners.

Government Relations
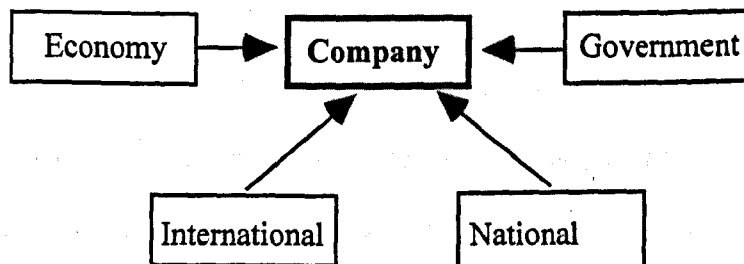
For many years the Company organisation has contained Government Relations

officers (within its public relations function) to represent it's objectives with respect to pressing Government issues, particularly proposed legislation, policies and/or regulations that might affect its business. The Government Relations function also serves as the voice of the Company with respect to Government. Further, the responsible practitioners are expected to create and provide necessary information to responsible government agencies in order to positively influence government's decision-making on relevant subjects. Practitioners also provide to Government Officials information about the Company's plans, and openly and strongly petition for support for those plans.

These professional Public Relations Officers provide the link between the organisation and government, and are clearly essential. These public relations professionals are usually 'nationals,' i.e. influential citizens of the country in which the western oil company resides. The professional managers and strategic planners of the Company are not only non-Nationals, they are usually non-Arabs, and are without question residents in an alien culture. In contrast to the private sector small businessman previously discussed, these professional managers have frequently never attended a Majlis in their professional life. They are very dependent upon their public relations professional to lobby government in their behalf. In sum, the Company's stakes with respect to a favorable, timely government decision are enormous, much greater than the stakes of the small private sector proprietor. Yet, unlike the private sector entrepreneur, the Company's top management is incapable of lobbying personally. Thus, in this sense, the Company's public relations professional, whilst serving in a traditional society, represents top management in ways that Western public relations

professionals are never asked or challenged to do.

The public relations professional also ensures that the company's executives and line managers are kept informed concerning the major public issues, and particularly how the likely, or best case/worst case, outcome of such issues will impact organizational goals. They, the executives, should also contribute to and understand the organization's position on various issues before government, and may contribute to the organization's pubic relations effort by giving speeches, writing letters, meeting key government officials, etc. In the case of the Company's lobbying in the traditional society however, most of the Company's executives are unwilling, incapable, or both, of representing the Company's position in a helpful way.

The Government Relations function is also expected to help in arranging meetings with Government representatives concerning the vitally important issues of production quotas, new exploration, or the increased development of an existing field. Serving as both interpreter and often as spokesman during such meetings, the Company's public relations practitioners perform qualitatively at a level far more critical than do their Western counterparts.

The Government Relations function ultimately helps the organisation to anticipate and respond to issues affecting its activities or environment. In this sense, the PROs involvement in monitoring public policy, providing political information for management and employees, maintaining liaisons with various Governmental departments, etc, are performing classical two-way communication between the organisation and its community. Indeed, all governments issue legislation, and proclaim rules and regulations, which will affect the activities of

the organisation, perhaps seriously. So, as described in the literature and analyzed in previous chapters, some of the tasks of the public relations organization is to improve communication with the relevant government department, monitor and influence legislative and regulatory activities, and expand the awareness and the understanding of the company's position on issues to Government employees. As we will recall:

"The profit seeking corporation. . . has no choice but to be as politically influenced as the law and its resources. . . permit. Hedged in by a multiplicity of local, state and federal regulations affecting building, zoning, health, safety, insurance, employment, workmen's compensation, social security, wage, equal opportunity rules, security insurers, financial fees and taxes, product and advertising, etc. corporate business naturally takes political action to defend the freedom of action that remains to it." (Neil H. Jacob, 1973, p 190)

Time has changed from the past where businesses only reacted to the threat of government action. In the modern era, if businesses want to remain viable, they must be prepared to enter the political arena when required. Timely, appropriate public relations activity can be a critical factor in issues, policies, regulations, and it can make the difficult and problematic reactive crisis management actions by businesses less necessary. It is important to note in this sense, that top company managers are far more dependent than their Western counterparts on their public relations staff. In the traditional society, the public relations staff must know that

an input is required, must shape the content of that input, must prepare the input in the necessary cultural and linguistic context, and finally must assess the value/impact of the input and determine the necessity for, and appropriateness of, further action.

Community Pressure

The publics within the community surrounding the organisation, whether that organisation is located in either the public sector or the private sector, exert pressure to ensure that the company is respectful of its objectives, i.e. environmental protection, employment, development, etc. (The reader will note that it is often the case that the objectives of publics within the community are contradictory, and the tension between environmental protection and developmental pressures is a good example of this.) But it is important at this juncture to note that by the term 'community,' we in fact refer to the geographical area/region where the organization is located, i.e. employees, local people, and commercial dealers. As noted previously, the notion of surrounding community of, and non-interference from the organization with respect to, the existing culture, traditions and practices - an expectation that the organisation is not always able to fulfill. Nonetheless, an effective public relations function assists the organisation to mitigate the sometimes unreasonable expectations of the community, and to prosper in this environment. In this respect, it is important to note that the community does not confine its expectations to the fundamentally important tasks of furnishing goods and services, providing jobs and creating wealth. The community also expects major business corporations to attend to the human, environmental and other social consequences of their business activities,

and to pursue the conflicting goals of increased wealth without societal change. The case studies documented in the next three chapters further amplify the specifics of this dilemma in the UAE.

As established in earlier chapters, the success or lack thereof of organisations, particularly modern organisations, who operate and function in ways the external (traditional) environment finds unusual, is highly dependent upon the skills and energy or its public relations function. A lack of appreciation for cultural imperatives and courtesies on the part of the organization's hierarchy could result in a higher level of demands from the surrounding environment. A resented organisation will often experience the fruits of resentment in unanticipated ways. Public relations practitioners understand this reality in ways that (expatriate) organisation members will never do.

In order to explicate further the actual execution of duties and responsibilities by a public relations officer in a traditional society, the actual log of activity for a representative work-center is replicated below. The log is that of a public relations professional employed by the Company. As such, the duties are similar to those found in Western public relations activities, with a few important differences.

6.2 An Empirical Report – Public Relations for the Company

The following quotations are extracts from a diary kept by the author of this thesis, and is primary source data/information describing the actual duties for a specific period of time. Within the traditional society of the Arabian Peninsula, the workweek begins on Saturday and extends to Wednesday for the public sector

285

and Thursday for the Private sector.

Saturday 18 November

In the morning the author had the weekly meeting with the editors of the Company magazine to discuss the context and to approve the topics. At 9:00 o'clock the General Manager of the Company came to my office to discuss a personnel problem where by he requested me to assist him; his wife was coming from Vietnam with an adopted girl (she already boarded the plane) and there was no approval for the baby girl to enter the UAE. (UAE law does not recognise the adoption in the same way that Western government's do and it is impossible for him to get an approval to bring the baby on his name as an adopted father). The case was discussed and the personal approach was used, the author had to visit the Director of Immigration and ask him for a special approval. For humanitarian reasons the approval was given and the baby was legalised.

The day was concluded by a farewell of one of the Company employees. The Local Relations Department in coordination with the General Services and Personnel prepared this activity.

Sunday 19 November

The morning started with a staff meeting to discuss the presentation of the National Day celebrations and a number of issues were discussed including the programme, the gifts to be distributed, setting the date and venue. The author chaired the meeting and most of the issues were decided upon except

the date which General Management were to be consulted.

VIPs from the international community visited the Company on this date and the author gave a presentation on the future projects, which the Company planned to execute. The delegation were 12 German businessmen and the German Ambassador.

The rest of the day was spent on office work.

Monday 20 November

The day started with office work until 10:00. At that time the author participated in a meeting with a designer/printer who was contracted out to do the year's Annual Review - during the meeting the ideas of the overall plan, the schedule of printing and the material to be inserted were discussed and agreed upon. (The overall budget and theme of the Annual Review is approved normally by the Assistant General Manager for Administration and the General Manager).

At 11:30 a visit to Government official with the General Manager took place to discuss certain issues of concern to both the Company and the General Director of police included the police headquarters on Das Island.

Tuesday 21 November

07:00: took the plane to Das Island to discuss a land sovereignty issue with the headquarters of the police there. (Das Island is an Abu Dhabi Island about 100 miles from Abu Dhabi and it is an industrial area with a population of about 3,000 male employees including policemen to keep the peace and it

is used to store, process and transport the oil and gas).

This particular issue was associated with compensation for land required by the oil company, but of uncertain ownership among competing Das Island citizen groups. It took about six months until it was finally approved by the Supreme Petroleum Council which the highest oil authority chaired by his Highness Sheikh Khalifa bin Zaid Al Nahyan, Abu Dhabi Crown Prince.

At 1500 the author took the plane back to Abu Dhabi.

Wednesday 22 November

A meeting with GHQ security officers was held to get a special approval to get an aerial photography to be used for the Annual Review (in all oilfield areas photographs are prohibited and a prior approval is a must before start taking any shots). The details of the photographer, the airplane details, the time and a letter to request the permission signed by the Head of Local Relations were given. After three days the approval was given.

At 10:00 o'clock a delegation of VIPs visited the Petroleum Exhibition (including the President of the country) whom were given a presentation of the oil industry and a film were also shown on the Company operation.

13:15 telephoned the press and informed them of the visit of the President and a press release was faxed to all the newspapers.

Thursday 23 November

A call to another Oil Company was made at 07:30 to discuss matters of -- concern and to co-ordinate regarding the National day.

08:30 Employee Relations Committee meeting was attended and in the meeting were personnel of the Company as well as another Oil Company with whom the Company shares Das Island facilities.

6.3 Comments

From the diary approach one can notice the similarity of the tasks performed at the operational level with the theoretical literature. Particularly in areas such as the relationships with the Government, preparing for the ceremonial events, preparing press releases and the contacts with the press. However, clearly, public relations in a traditional society is more complex, and essentially includes any task that meets two criteria: first, the task must be important to organizational success; and second the task requires the cooperation of one or more agencies which are external to the Company. In this sense, public relations in a traditional yet modernizing society, requires practitioners who are more creative, in a sense, more sophisticated than their counterparts in the West. And, it should also be noted, public relations practitioners in this environment receive almost no guidance in the performance of their duties. They must respond to and support the Company's goals and objectives in a manner that they determine most likely to succeed. An early STEP (PEST) analysis is essential by all newly appointed public relations officers. (STEEP and PEST involve a Social, Technical, Economic, Environmental and Political assessment.)

The specific case of the GM's adopted daughter is illustrative. This task does require public relations skills, but clearly it is not classic public relations activity. Within the traditional society the PR office is the office of first resort for the

unusual, and last resort for matters which cannot be solved by others. As one senior manager put it "we do mistakes and it is your duty in PR to correct them."

When Grunig introduced the four models of public relations (Press Agentry/Publicity, Public Information, Asymmetric and Symmetric), he stressed their situational nature. He did not indicate or imply that some of those models might not be called public relations even when one of the models was described as using one-way communication, "complete truth not essential," and its purpose was propaganda. (James E. Grunig and Todd Hunt, Managing PR, 1984, P. 22)

It may be interesting to note that public relations is labeled and known as 'general relations' in the UAE. The term 'public' as it means in the semantics of the English term 'public relations' is not used at all in Arabic, not even in public relations or 'general relations' text books. The word 'public' as referring to 'a group of people' can be translated literally by different Arabic words. But this did not happen in the past, but it may happen in the future. The political sensitivity of the term, 'public opinion,' could be one reason for intentional mistranslation of it. However, unintentional mistranslation of the term could have happened in the past and the use of the term continued for popularity and/or fear of trying to change it.

Public relations, however it is called, seems to play different roles and perform different functions in UAE than those played and performed in the UK and the West. In the UAE, labeling public relations as 'general affairs' and 'general relations' may have contributed to the persistent vagueness of the nature, goals, roles, and functions of public relations. Therefore, it plays different roles. But there may also be other reasons. One of these is what we call environmental

factors, which not only affect the practice of public relations but also dictate certain ways and methods and perhaps different goals, philosophies and values of public relations.

6.4 The Need for Public Relations

Public relations has been employed and sometimes exploited by government and private institutions for different reasons. Employment of public relations preceded the emergence of factors, which dictated the need for public relations in Western societies. For instance, forces behind the evolution of public relations in Western societies includes developments in technology, growth of the middle class, improvement in education and growth of large-scale business, government, and organised labour, plus others. These conditions are not always found in this part of the world. (S. Watson Dunn, 1986, p 47)

The motives for use of public relations within the traditional yet modernizing society are numerous. Public relations were largely imported conceptually from the West, but for different reasons and/or to fulfill different functions than in the West. Clearly, one of the reasons for the importation of public relations, and one of the reasons that public relations in the traditional culture is as episodic and non-standard, is because of 'cultural lag.'

The concept of cultural lag, as introduced by sociologist William Ogburn, makes approaching the role of public relations in a traditional Arab society easier to conceptually grasp. Ogburn stated the theme of this concept as follows:

"The thesis is that the various parts of modern culture are not changing at

the same rate; some parts are changing much more rapidly than others.

Since there is a correlation and interdependence of parts, a rapid change

in one part of our culture requires readjustments through other changes in

the various correlated parts of culture." (Donald A. Hobbs and Stuart J.

Blank, 1978, p 280)

Most changes in society happen first in the material aspects of culture. Hobbs

and Blank wrote, "Then the nonmaterial aspects of culture have to accommodate

themselves to the new material change." (Ibid) But cultural lag can happen in

reverse too. "The tide of rising expectations that appeared in many of the

developing nations is frustrated by the cultural lag between social expectations

and technological abilities." (Ibid) In the Arab world, it can be said that both

types of cultural lag happened. In some oil producing countries, which managed

to make relatively significant material changes, the nonmaterial aspects of culture

are still lagging behind. In others, expectations are ahead of material parts of

culture.

The boundary role played by public relations places public relations in a

different place. While public relations is located between an institution and its

publics or environment, as described in the literature, it is also located between

the material and the nonmaterial aspects of the culture. It functions in the same

manner; it tries to adapt each side to the needs and expectations of the other. In

both cases, its role may not meet the standards as stated by public relations

theoreticians. But playing it does help in maintaining the equilibrium of the

system. And, the log of actual duties performed by one practitioner above

displays exactly this – an entrepreneur taking whatever steps are appropriate to maintain equilibrium.

6.5 Summary

Public relations experience within the traditional yet rapidly modernizing society is revealing. Even many people concerned with public relations have not matured enough in the field to reach the conviction that the PR activity is a scientific and methodical activity. As learned in previous chapters, proper public relations campaigns involve an analysis of attitudes and the scientific prediction of their consequences. Further, few understand that the implementation of planned programmes of action, which first serve the interests of the organisation, but frequently enough serve the interests of the larger environment as well, is the goal.

Public relations practitioners understand that their role is to solve problems, and to expedite the interface with the external environment, but few understand why this function is so necessary throughout the modern world, and why in a traditional society, it lacks a system of standardized rules and procedures.

This chapter seeks to authoritatively describe the actual tasks of a practitioner within a traditional society, and to add to the reader's comprehension of this function. It has documented the essentiality of this function in a variety of ways. It has also documented the episodic environment of public relations in such a society, a melange of the traditional, the seemingly trivial, and the bizarre yet critical tasks, which are performed in the name of public relations. As we next approach the case studies in the chapters which follow, and thus further explicate

the differences between traditional society public relations, and that which the Western literature describes, the reader will continue to note two principal differences. First and most importantly, public relations in fact enables the modern organisation to function in a traditional culture historically and socially unprepared to host the organisation, and often enough hostile to the organisation. And second, while rules and procedures can assist the practitioner with the more mundane aspects of his duties, ultimately it is the creativity of the practitioner, which wins the day for the organization.

CHAPTER 7

Traditional versus Modern Industry:

Fishermen and Seismic Survey

Case Study - One

7. Introduction

The oil industry has brought enormous wealth and prosperity to the Arabian

Peninsula but this has not been achieved without economic and social costs. The

oil industry requires a suitable infrastructure within which to operate as well as

large-scale surveying of land. The environmental pollution, which accompanies

industrial development, often has serious implications for the traditional

industries, which, for generations, have provided a means of subsistence for local

inhabitants. This case study details a dispute between the traditional and modern

industry and seeks to demonstrate why it arose, how it was resolved and what

sociological implications were.

The dispute arose with the decision of the management of local Oil Company

to conduct a large-scale seismic survey on a large section of land offshore of Abu

Dhabi. The company first had to find a suitable contracting company to undertake

the operation and then seek clearance from the local authorities that must be

consulted before permission can be granted for all such operations.

Following the approval of the local authorities, the contracting company

proceeded with the operation. However, the offshore land used in the survey was also the traditional territory of the local fishermen who claimed that the contractor had damaged much of their equipment. The final section of the case study deals with the process of reconciliation between the fishermen and the contractor, which was effected through the mediation of the Local Relations Department of the company.

This particular case study will be examined from the standpoint of a clash of culture between an industry run on traditional lines of organization and a modern bureaucratic corporation as characterized by Weber. On the other hand, this dispute also furnishes an example of the impact of globalization of the economy as defined by Anthony Giddens. An attempt has been made here to analyse how the traditionally oriented community took recourse to the modern bargaining techniques of the global economy.

Finally it should be noted, that the dispute in question occurred in 1990 and is being researched seven years later. Consequently the amount of documentary material which was available was limited. To compensate for the dearth of documentary evidence, individuals from both sides of the dispute a representative of the contractor GECO Ltd., and a member of the fishing community have been interviewed in order to present a balanced case study.

7.1 Objectives of the Legal Rational Organization

After its formation in 1954, the company, which was a party to this dispute, negotiated an agreement with the Rulers of Abu Dhabi to acquire a concession on

a large offshore area of Abu Dhabi. Article IX of this agreement states:

"The company shall, on the third anniversary of this date, and at the expiration of every three years thereafter relinquish to the Ruler an area or areas to be selected by it equal in aggregate to 15% of that part of the Area as at the date of the relinquishment which has not been shown at that date to comprise proven areas."

This is known as a relinquishment agreement and the basic premise of it is that the concession acquired by the company is only temporary unless it can actually prove that there is oil in each of the areas acquired. Under the circumstances, every three years the company loses 15 percent of each unproved area. Relinquishment deals are common in oil industries, which require exploration of land. The purpose of them is to make sure that the acquiring company maximizes the potential of the land, and if they fail in their objectives, the land can be re-sold to another company.

In Weberian terms, the company therefore has an economic objective. Weber defines an economic objective as follows:

"Economic action is a peaceful use of the actor's control over resources, which is primarily economically oriented."

He builds upon this with the concept of rational economic action;

"Economically rational action is action which is rationally oriented by deliberate planning to the achievement of economic ends." (Weber, 1964, p 160)

In Weberian terms therefore the nature of the initial problem for the company is an economic one. It is in the economic interest of the company to maximize the economic potential of the resources of the land which it has acquired. If it fails to act, the land has to be relinquished to the Ruler of Abu Dhabi, and hence its economic value to the company becomes nothing.

A relinquishment claim was due upon the company for October 1990. The company management met in May 1990, to decide if they could limit the amount of land to be relinquished and what was the most viable way of doing this. Hence from being an economic problem, the issue became one of finding a suitable technical solution, a process which Weber defines as technical rationality. Weber believes there can never ultimately be a technically rational objective as if an objective is to be rational it must ultimately be economic. Technology, therefore is a question of means rather than ends: .

"The term 'technology' applied to an action refers to a totality of means employed as opposed to the meaning or end to which the action is, in the last action oriented."

He then goes on to add:

"the presence of a 'technical question' always means that there is some doubt over the choice of the most efficient means to an end." (Weber, 1964, p 160-1)

Therefore our case study can be seen in these terms. An economic organisation faced with an economic issue, the need to exploit a certain portion of land to avoid relinquishment must employ technical means to achieve a rational objective.

The company management undertook the decision to conduct a seismic survey in three areas of the concession - Bin Nasher, Ha and Naweet Al Mansub. These fields lie approximately 50km away from Abu Dhabi city in an area of shallow waters with numerous sandy islands. A seismic survey is a scientific means of ascertaining the approximate quantity of oil, which lies beneath the surface of land and to gain a detailed picture of the structural and physical characteristics of oil fields. The process involved in an offshore seismic survey is as follows:

"A survey vessel will tow behind it an energy source, usually an array of airguns which are discharged every 25 or 50 metres. The airguns generate pressure waves which travel down through the earth. Some of the energy is reflected back to the surface by the rock strata." (The local oil company Inf. bulletin, July 1993)

The important fact to note from the above is that a seismic survey is a potentially destructive operation involving the use of a 60m long ship and

powerful airguns. Therefore it is vital that an area should be cleared of any potential obstacles before a seismic survey can take place.

The company usually employs outside contractors to conduct seismic survey on its behalf. In accordance with the legal and rational objectives of the firm, the management bases its decision to award the contract on both economic criteria i.e. lowest estimate, and also on technical criteria such as past safety and overall reputation for competence. On 28th May, 1990 the company's Commercial Manager started the process of contacting surveying companies for estimates as to the cost of the operation.

On 8th July having considered all the potential bids the Commercial Manager awarded the bid to GECO Geophysical Ltd., a multi-national oil surveying company, which at the time of the research was based in Singapore. Due to the importance of GECO to the survey, their resident sales representative at Abu Dhabi was interviewed. He gave the following information about the company:

"GECO-Prakla Ltd. is a surveying company which belongs to the Schlumberger Group. This is an umbrella organisation comprising of 11 constituent companies all providing different services relating to oil excavation. The Schlumberger Group is the largest of its kind with an annual income of approximately $600m and over 48,000 employees of 95 nationalities in 100 different companies." (Harnisch, 1996)

Therefore, GECO Geo-physical is a constituent part of a multi-national

organization organized very much along the lines of a modern legal-rational company.

Having selected this particular contractor it was obligatory for the company lawyers to draw up a legal-technical contract between the local Oil Company and GECO. The contract was signed on 10th August, 1990. It contained enormous amounts of detail but for the purposes of this case study the central issue is one of liability. The section of the contract, which deals with underwater damages, is Section 8.2. It reads:

"All risks associated with the performance of the survey, underwater obstacles, fish traps, etc. are to the contractor's account. The contractor should ensure that adequate measures, such as for example the use of a scout boat, are employed in connection herewith to minimize the risk of such damage or loss and to prevent delay in completion of the survey. No claims for extra compensation will be considered by the company for items of this nature."

After awarding the contract the next task of the company management was to fix a date for the survey which they decided would be 21st September, 1990.

In the following section, a detailed study has been made of the highly specialized and technical nature of relations between modern legal-rational organizations in pursuit of economic objectives. It has shown the precise nature of the economic problems faced by the local Oil Company and the technical solutions by which they sought to solve it. In order to avoid losing 15 percent of

their concession via relinquishment to the Ruler of Abu Dhabi, the company was forced to undertake a seismic survey of the marine land within the Umm Shaif concession. The company contracted out the operation of the survey to the GECO Geo-physical company, and inserted a clause in the contract between the two parties that held the latter responsible for any damage caused within the operation.

7.2 Removing Obstacles to the Operation

After undertaking the decision to pursue a technical objective, it was next imperative for the legal-rational organization to seek to remove all potential obstacles. Weber believes that all economic processes and objects are characterized:

"entirely by the meaning they have for human action in such roles as ends, means, obstacles and by-products." (Weber, 1964, p 159)

Therefore this section documents the attempts of the company to remove all potential obstacles and therefore limit by products in their pursuit of economic ends. This process will attempt to highlight the role of the public relations in removing the specific obstacles posed by the traditional society.

On 3rd September, 1990 the Head of Local Relations of the Company received a memorandum from the Manager of the Petroleum Department informing him of the decision of the Company to undertake the project. The Local Relations was to "seek the approval of the local authorities to conduct this survey." The task facing the Local Relations was, therefore, to identify the

potential obstacles to the survey and to get their approval so as to ensure the removal of all barriers by 21st September. Two potential obstacles however, were identified. Firstly, the official and bureaucratic authorities had to be informed before the survey could be carried out and secondly, the traditional obstacle of the local fishermen who fish the waters had to be taken into consideration. These two potential sources of trouble have been dealt with in two separate sub-sections as different approaches were required in dealing with each of them.

Governmental and Bureaucratic Obstacles

In seeking approval for any offshore operation in the UAE, approval must be sought from a number of official bodies within the central government. Whilst bureaucratic obstruction is not a phenomenon unique to Abu Dhabi, its nature is slightly more hazardous given the nature of the potential society in the UAE.

As has been demonstrated in Chapter Three, the political system in the UAE does not correspond to the western model of democracy and this creates problems with the accountability of government officials and their decisions which permeate all levels of the government. The top officials of the government departments are usually direct appointees of dignitaries on high authorities. This system of appointments means that government bureaucrats are rarely in their positions on merit making them extremely unpredictable to deal with.

One example of such obstruction involving another Oil Company may be cited from an incident that happened in July 1993 after the time of this case study. The National Oil Company (NOC) wished to survey some offshore land, and in their preparations overlooked consultation with the UAE navy. The navy officials had organized a training exercise in the same area and were offended at not being

consulted over NOC's plans. Therefore, the navy refused to switch sites for their training exercise and refused permission to NOC to conduct the survey, which resulted in a delay of three weeks and enormous cost to the company. As the local Oil Company is a considerably smaller concern than NOC, the Local Relations was all the more aware that it was crucial to take care and consult all the parties concerned.

On 6th September, Local Relations sent out a letter in Arabic to the Director of Oil Field Installations requesting approval for the seismic survey. This is the agency which polices the oil fields and controls sea traffic. This was followed up with a letter to the Ministry of Agriculture and Fisheries on the 8th of September.

On 12th September, the Director of Oil Field Installation replied and requested for details of the precise dates, the name of the contractor and the area to be surveyed. These were sent to the Director on 15th September and the following day the local Oil Company received the permission of both the Ministry of Agriculture and the Director of Oil Field Installations.

On 18th September, Local Relations contacted the Head of the Navy informing him that permission has been granted by Oil Field Installations. The Head of the Navy requested for written documentation before naval approval was granted. This was sent the following day and Local Relations received Naval Approval on 20th September.

Bad weather delayed the anticipated start of the seismic survey on 21st September, and with a forecast of rough seas for the foreseeable future, the local Oil Company decided to reschedule the survey to a provisional date of 4th November. The Director of Field Installations requested an explanation for the

postponement. The Head of Local Relations made a personal visit on 27th September to the Director of Oil Fields and during the meeting the Director granted permission to the local Oil Company to carry out the survey in November.

The above description is singularly uneventful but does at least demonstrate the nature of public relations practice in dealing with bureaucratic bodies. The process is extremely methodical and occasionally, as in the example of the dealings with the Director of Field Installations, involves taking advantage of personal relations.

Traditional Obstacles - The Local Fishermen

Fishing is one of the two great historic industries of the geographical entity that now constitutes the United Arab Emirates. As this case study is primarily concerned with the relationship between a modern and traditional industry, it has been deemed necessary to give some background information about the fishing industry and its place in traditional Arab society. As the fishing industry is central to this case study, a member of the local fishing community, Mr. Ishmael, was interviewed. He has been fishing in the waters of the Gulf for over 12 years and provided much information on the subject.

The fishing trade has for hundreds of years provided one of the primary means of subsistence for generations of inhabitants of the coastline of the present day geographical entity of the United Arab Emirates and the islands within its territory. Given the unsuitability of the area for agricultural development, local people had to develop ingenious techniques for trapping fish in order to survive. These have included: *Masikir*, the fixing of two nets across a small creek, and *Makhir*, a technique whereby the fishermen attaches one end of his net to the

beach and then sails through the shallow water with the other end into sea in a semi-circular fashion until he reaches the beach. The net is collected after the tide turns so that the outgoing tide traps fish in the net.

Wooden rowing boats holding about six people were used to transport the fishermen between the small sandy islands and lagoons which make up the waters of the coast surrounding present day Abu Dhabi. Fish is not only the staple food of the UAE nationals, but it forms an important part of the local cuisine as well as the local identity of the present day UAE.

Although the UAE's fishery, at 108,000 tons in 1994, produced more than the combined total for the other Gulf States, there are definite limitations on further growth of this sector, dictated by natural stocks and the necessity to sustain them. The introduction of modern methods, new boats, more efficient nets, powerful engines and sophisticated fish-finding equipment all make fishing a less problematic exercise, but also place strains on the existing stocks. The Ministry of Agriculture and Fisheries is very much aware of the dangers of over-fishing, and has taken important steps to control the level of exploitation so that breeding stocks can be maintained and fish will be available in future years.

In view of the above, fisheries in the UAE can be seen as an industry that has made conscious attempts to resist the onset of modernization. The modern industry still employs many of the techniques of ancient times and has been encouraged in this respect by political measures. The Government of Abu Dhabi holds legal ownership of the waters around Abu Dhabi and fishing rights must be purchased from it. The President of the UAE has used his personal influence in several years to protect traditional Arab culture and fishing is no exception.

Hence, the President has been prepared to subsidies the traditional trade to the extent that he has personally provided funds for the development of traditional six- man inshore crafts which are now made of fibreglass and have out-board motors.

In addition to this, on 1st May, 1993 the President reacted to the concerns of UAE local fishermen about crafts with non-nationals onboard over-fishing in the area and depleting the stocks. The President responded with a royal decree which stipulated that "no craft may fish in Abu Dhabi waters without the presence of one crew member of UAE nationality." This decree has served the dual function of maintaining fishing as a national skill and has also helped to prevent large-scale slaughter of fish stocks with an eye on the long-term future. These measures have ensured the survival of the industry in a fairly traditional format with small six man crafts fishing in-shore areas and little development of deep-sea trawling.

The fishermen of Abu Dhabi have maintained most of the characteristics of the traditional organisation. In Weber's terms the fishing industry is an example of decentralized patrimonial authority. According to Weber this state occurs when:

". . . in a system of patrimonial authority, particular powers and the corresponding economic advantages have become appropriated, this will be called 'decentralized authority.' One characteristics of this mode of organisation is that '. . . it refers to a social group the members of which occupy a relatively well defined common status, a common mode of life

and usually more or less well-defined code of behaviour." (Weber, 1964, p 349)

This definition appears to apply fairly well to the UAE fishermen who have generally been allowed to maintain their traditional way of life with a minimum of taxation and regulation except where this is needed for regulation to protect their way of life. Furthermore their system of fishing is undertaken not on rational basis to maximize catches and profits, as in the Western world but with strict adherence to traditional techniques which implies that the industry has a strong social as well as economic function. According to an independent report, the industry is characterized by:

"a small group of large firms and a large number of individual or family fishermen who put out to sea daily and sell their catch at local markets"
(Business Monitor International: UAE, 1994)

Collective representation within the industry is characteristically weak. The majority of registered fishermen within Abu Dhabi belong to the 'The Fishermen's Society', a collective that exists to provide a link between the fishermen and the buyer. Mr. Ishmael was largely cynical of the collective, insisting:

"I used to be a member but it was no good. You have to sell your fish cheap and it is better to use the market."

He insisted that the Society does little to transmit information within the industry insisting this was usually done by word of mouth.

"All (UAE) are friendly with other national fishermen."

Mr. Ishmael was critical of the oil industry in general and more specifically of the local Oil Company, the only oil company which operates offshore of Abu Dhabi.

"We have had a large number of incidents with the local oil company and they never give us any money."

Referring to pollution he said:

"very often you catch fish and they have been dead for a long time. They are black with the oil."

This cynicism is backed by an independent business review, which blames the oil industry for the poor long-term prospects for the fishing industry in the Gulf:

"the long term prospects of the UAE fishing industry are threatened by the continued industrialization of the Gulf. Pollution is likely to grow and pose an even greater threat to local fish stocks. This would impact most heavily on the small inshore fishermen. As a result the local industry is not

309

expected to see significant growth in the 1990's and UAE fish imports,

most likely from Iran and Oman, are expected to grow significantly over

the next few years." (Business Monitor International: UAE, 1994)

In the same survey the industry was classified as having "poor growth prospects." Despite this, the industry remains enormously popular with the traditional community and the Head of Local Relations of the local Oil Company had taken special precautions to prevent the local fishermen from interfering in the conducting of the seismic survey.

Therefore on 8th September, in addition to seeking their permission on the conducting of the seismic survey, the Head of Local Relations further requested that the Ministry of Agriculture and Fisheries should "use their contacts within the industry to ensure that all the fishermen be informed to avoid this area for the duration of this period."

On 27th October, Local Relations put an advertisement in Khaleej, a national newspaper printed in Arabic, to warn all the fishermen of the exercise and instructed them to stay away from the area of the seismic survey. The advertisement read as follows:

"Local fishermen please be informed that the local oil company is to

undertake a seismic survey in the area of Bin Nasher approximately 50

miles due North of Abu Dhabi city from 7th November onwards for a

period of 3 weeks. The survey will involve the use of a large survey vessel,

two small workships and airgun equipment. Fishermen are advised to

remove all cast-nets and fish traps from the area as the company cannot

be held responsible for any damage done." (Khaleej, 1990, p 3)

The above section clearly demonstrates the precautionary measures that were taken by the Local Relations to remove all potential obstacles from the technical objective of the local Oil Company to conduct a seismic survey.

7.3 Cultural Dispute

The overall attempts made by the Local Relations at the local Oil Company to remove all potential obstacles to the technical objective were not successful. The seismic survey vessel, the Delft Pacific, and its accompanying apparatus damaged the equipment of over 100 fishermen on its journey between Abu Dhabi and the area of exploration which gave rise to a serious dispute between the two parties involved. The nature of this dispute has been documented from the perspective of both parties involved, the multi-national corporations of the local Oil Company and GECO Geophysical on one side, and the local fishermen on the other. An attempt has been also made to show how the case was ultimately resolved and whether or not all the parties were satisfied with its resolution.

On 4th November, Delft Pacific seismic survey vessel proceeded as planned to the area of the survey. Two days later on 6th November Local Relations at the local Oil Company received four telephone calls from some fishermen who gave vent to their anger. They claimed that the seismic survey vessel had done irreparable damage to their launches and cage nets and that they had completely lost the contents of one entire catch (the fishermen usually go out twice a week).

All the quoted figures for the damage done ranged approximately from Dhs 10,000 ($2,500) to Dhs 40,000 ($10,000).

In the opinion of the Local Relations that the figures sounded surprisingly high given the relatively small-scale nature of the fishing industry, but at the same time it was realized that the local Oil Company must be seen to be expressing sympathy with the local community. Therefore, all the fishermen were invited to the local Oil Company offices and hosted by Local Relations the same day. They received the traditional hospitality from the company (Arabic coffee and dates). They were then informed of the need to undertake the seismic survey and as why it was in the national interests. It was also explained to them that the company took precautions to inform the fishermen well in advance. The fishermen however, were not happy with the explanations given and were therefore requested to go to the contractor.

The following day the Head of Local Relations received a telephone call from an announcer for a daily open programme on Abu Dhabi Radio Station which is broadcast everyday at 9 am. The announcer requested him to:

"comment on the complaints of the local fishermen who alleged that the local oil company had destroyed their nets as a result of the survey carried out by them. They further added that they were going to face a lot of inconvenience due to this incident." (Company Record Note, 7th November, 1990)

The Local Relations realized that this public dispute with the fishermen was

bound to generate bad publicity for the local Oil Company and damage its reputation in the local community. Therefore the Head of Local Relations tried to clarify the situation by giving the following comment to be broadcast by the radio station:

"By way of informing everybody the company had placed an advertisement

in the Khaleej on 27th October warning the fishermen about the seismic

survey that was about to be conducted and of the possible dangers to

fishing equipment. In view of this the complaints of the fishermen seemed a

little surprising. It was also pointed out that if the fishermen nevertheless

did wish to make a formal complaint, they should contact GECO

Geophysical, the contracting company, which was solely responsible for

the operations. If they failed to solve the problem then the local oil

company was willing to intervene on the behalf of the fishermen."

The above statement may be viewed as a public relations exercise on the part of the local Oil Company. It sought to distance the company from any adverse publicity by stating publicly that the company did not overlook the interests of the fishing community in its preparations and also acknowledged that if there was to be a dispute the company would back the local community.

GECO Geophysical received over 10 complaints from the local fishermen that same morning and all were given the same prepared statement:

"GECO Geophysical are not aware of any damage caused to local fishing

313

equipment during the conduct of the current seismic survey vessel.

However, if individual fishermen wish to see a representative of the

company they are free to make an appointment."

The fishermen took their complaints to the Head of their trading collective,

Mr. Ali Saif of the Fishermen's Society. He contacted GECO (8th November) and

informed them that the Fishermen's Society is considering legal action to press for

compensation for the damage done to their nets. The GECO representative

informed Mr. Saif that this would not be necessary as GECO had contacted the

Ministry of Agriculture and Fisheries and intended to provide financial

compensation which registered fishermen could claim from the Ministry.

On 11th November, the Ministry of Agriculture received a sum of Dhs

300,000 ($75,000) from GECO Geophysical. Over the following two weeks it

processed the applications of 34 fishermen who were paid differing amounts in

accordance with their estimation of loss of revenue sustained as a result of the

operations of the survey vessel.

This dispute has two widely divergent interpretations, with the fishermen

extremely wary as to the operations of the multi-national corporations like the

local Oil Company and GECO Geophysical, and the companies cynical of the

claims of the fishermen. This is the reason why the representatives from both

sides of the dispute, Mr. Harnisch the Abu Dhabi representative of GECO and Mr.

Ishmael, the local fisherman were interviewed. In the following section, the two

different perspectives have been presented and analyzed.

Perspective A - Legal-Rational Companies

Local Relations at the local Oil Company was not convinced of the validity of the claims of the fishermen. An advert was placed in a local newspaper on 27th October which gave the fishermen a full week to clear the area of any nets. Furthermore, the fishermen were not only extremely quick in contacting the company, but even in their initial meeting with Local Relations gave an estimation of the damage caused in financial terms. The implication of this is that the fishermen were aware of the operation at the time that they laid their traps, and were merely manipulating the exercise as an opportunity to press for compensation.

Mr. Harnisch, GECO's Abu Dhabi representative, was similarly cynical when questioned over the validity of the claims. On the basis of his experience all over the world, Mr. Harnisch believed that local communities often seek to exploit exploration exercises and he gave the following piece of anecdotal evidence in support of his contention:

"A common exercise for us as a contractor is to conduct surveys in the desert by blasting deep holes into the earth's surface, about 10 metres wide. It is a common occurrence to find dead camels at the bottom of these holes which almost always turn out to be prize racing camels from the local village leaving GECO with a large bill for compensation. In my experience the best way to avoid disputes with traditional society is NOT to warn local residents that an exercise is taking place as this approach seems to lessen the number of incidents of this nature."

Mr. Harnisch said that in these situations the contracting company rarely had any option but to pay out as the local residents usually complained to political figures and the company would receive a public reprimand which was not in the company's long-term interests.

If the suspicions of Local Relations and GECO's Abu Dhabi representative were correct, and it should be added that they are impossible to prove, this has important sociological repercussions. If the fishermen had an advanced knowledge of the seismic survey this can be seen as representing the triumph of economic rationality. It would indicate that the fishermen had made an economic decision on the most profitable course of action to be adopted and in order to achieve this end they used their traditional occupation as a bargaining tool in the modern capitalist market.

This analysis would appear to strengthen a 'globalization' thesis propounded by sociologists like Giddens who argue that the spread of legal-rationalist values via multi-national commerce and vastly developing communication systems are fast eroding traditional cultures and values. Such traditional values may be selectively invoked to gain specific advantage. This case can therefore be seen as a process of bargaining between organisations working towards economically rational objectives.

Perspective B - The Fishermen

The interview conducted with Mr. Ishmael, the fisherman, presented a very different perspective about the course of events. Mr. Ishmael had been fishing in the Gulf since 1983 with a boat he inherited from his father. He employs a crew of six assistants all of whom are Indian nationals, and refuted any suggestion that the

fishing community was aware of the seismic survey before it took place. When asked about the newspaper advertisement placed in by Local Relations he stated:

"Listen, we are fishermen. We go out and lay our nets and then collect them in on the change of tide. We go out twice a week and do not have time to read newspapers and we have no interest. In fact, many fishermen are illiterate. What is the good of telling the newspaper?"

Mr. Ishmael said that the fishermen had some previous experience of contacting the local oil company as there had been "problems with the company before." He stated that they had sought legal action because:

"We did not know what to do. We went to the local oil company and they said go to the contractor. We went to the contractor and they said they would not pay. We had to get some money because we cannot afford this sort of damage."

Finally, on being asked whether the fishermen were happy with the nature of the compensation, which was provided, and the way in which it was administered, by GECO, Mr. Ishmael replied:

"No, most fishermen are not happy. For instance, I myself received only Dh. 7,000/- ($1,750) but the damage to my nets and the loss of catch was Dh. 30,000 ($7,500). Many fishermen whose equipment was damaged did

not receive anything because they did not understand how to get the money and they do not have the time because they have to fish."

This particular case study can be analyzed more appropriately in terms of a clash of cultures between a traditionally organized industry and a legal-rational organization. It should be noted that in his original communication with Local Relations, the Manager of the Petroleum Department merely requested to "seek the approval of the local authority." This approach is typical of the culture of the legal-rational authority as it sees obstacles merely in legalistic terms and frequently overlooks the human and social costs.

Against this background, the failure of the public relations in its role as the cultural mediator has been analyzed here. Whilst Local Relations did at least make some provision to inform the fishermen it was highly insufficient as there was only one advert in one newspaper and they also failed to understand the culture of the local fishing industry. Therefore when the local Oil Company undertook the next seismic survey operation in June 1994, a much more extensive campaign of public information preceded it including contact with "The Fisherman Society" and advertisements in Arabic, English and Urdu newspapers for a greater period of time. This time the seismic survey proceeded without any controversy.

1994 Exercise

The local Oil Company decided to proceed with a 3-D seismic survey, however careful PR steps were to be taken. For further information on 3-D refer to the index.

Seismic survey activities in 1994 concentrated on the acquisition of a 3-D seismic survey over the Thamama reservoir in Umm Shaif Field. The purpose was to obtain a detailed description of the reservoir in order to finalise its development plan. Survey activities also covered the processing and interpretation of Nasr and Mandous 3-D seismic data. (Company Annual Review, 1995, p 5)

After finalising the approval procedures of the survey, the Head of Local Relations drew up a plan whereby full information was to be given to all concerned parties either by personnel contact or through the media which included interviews with the Radio and TV:

"once the company decision had been made, the Public Relations Officer had the task of communicating that information to the public using methods that foster understanding, consent and desired behaviour.." (Scots, 1997)

This section has provided a description of the basic conflict over rights of the sea from the perspective of two different parties involved in the dispute. The legal-rational companies were clearly of the opinion that the local fishing industry manipulated its status within society to secure financial gains whilst the fishermen accused the oil companies of complacency and insubstantial compensation. The only point on which there was overall consensus was that the dispute could have been avoided with better public relations performance on the part of the local Oil Company and GECO Geophysical.

7.4 Comment

The main theme of this case study concentrates on the difficulties of the legal-rational company in achieving an economic objective within the framework of a traditional society. The case study demonstrates how the company attempted to solve the problem by rational-technical means. These included the selection of the contractor, the framing of the contract and the use of public relations techniques to deal with bureaucratic agencies.

The above case study affords a spontaneous glimpse of the delicate balance between traditional society and the process of modernization. A scenario in which some members of the local community, motivated by western concepts of economic gains went against their traditional values to bargain with a multi-national company presented a state of affairs with apparently contradictory elements. But for a proper understanding of business operations in the UAE, it is especially important to understand local traditions that contrast so much with the West's legal-rationalistic way of operating. Much of this apparent contradiction may be explained by the fact that the UAE is one of those few countries of the region which witnessed the evolution of society and government along modern lines, while at the same time retained the traditional forms with their inherent commitment to consensus, discussion and direct democracy.

The case study also demonstrates that the company failed to deal adequately with a section of the traditional society - namely the local fishermen. The company overlooked the interests of the fishermen and the necessity of communication with traditional groupings using traditional plus modern methods of communication as it had its attention focused on the legal-technical barriers.

Therefore, the company faced a crisis of public image, which could have been avoided by a proper exercise of the functions of public relations. Through a process of cultural mediation, the Head of Local Relations should have more properly directed the aggrieved fishermen to the contractor in order to press for compensation.

However the case study also raised another important issue as to whether it is possible to protect traditional culture against the onset of modernity. In his 'globalization' thesis, Giddens has argued that the spread of capitalist values around the world via multi-national corporations and the mass media is leading to a rapid erosion of traditional forms of culture and organisation. The fishermen in this case study could be seen as manipulating traditional values to exploit the multi-national companies for economic gain.

Such a state of affairs would indicate that the efforts to maintain the traditional culture of the fishing industry by subsidising traditionally oriented small-scale production appear to have failed. Failure, as in this instance, because the fishermen are clearly using their traditional status as a bargaining tool against multi-national organizations in the modern marketplace. This practice can only be explained on the grounds of economic rationality, i.e. it was an action intended to maximize economic gain, which points to the fact that even the fishermen of Abu Dhabi have shifted away from a belief in traditional legitimacy to a belief in economic rationality.

However, since the 1994 seismic survey was widely publicized and there were no claims, one will give the benefit of the doubt to the fishermen.

In the traditional set-up, grievances were given vent and matters were resolved

often through direct dealings between the rulers or tribal chiefs and the aggrieved parties concerned in the majlis. The question of demanding compensation or of reaping profits by exploiting a particular situation, were alien to the time-honoured values of a race of people noted for their Bedouin virtues of honesty and integrity. Therefore, when the fishermen on this occasion were determined to press for compensation from the very outset, and even kept on increasing the amount, it seemed to introduce a new eco-cultural phenomenon which was not a part of the cultural make-up of the indigenous people. Consequently, the situation took a paradoxical turn. In order to protect a traditional industry, the fishermen took recourse to extraneous methods of extracting damage which betrayed an element of greed that was not so obviously evident in the local society in the pre-oil boom period even when the inhabitants had a barely hand-to-mouth existence.

Giddens argues that once these attitudes take root they are extremely difficult to stop. The UAE may be able to sustain a tradition based society whilst it can afford to subsidize its traditional culture, and try to preserve the time-honoured and genuine traditional attitudes so that traditional culture would be withheld from disappearing along with the oil wealth.

The three case-studies undertaken for the purpose of the present study illustrate the role of the Head of Local Relations as a cultural mediator in his dealings with the local community and the company. The cases of seismic survey and of Delma Island highlight two different aspects of this dealing. On the issue of the seismic survey conducted by the local Oil Company and its repercussions which injuriously affected the community of local fishermen, the Head of Local Relations upheld the interests of the company as against that of the community.

The case of the seismic survey was indeed distinctive in the sense that here the Head of Local Relations had to take decisions according to set rules and regulations based on western cultural concepts of industrial organization. In the process his social relationships and cultural values had to be relegated to the background even at the cost of his social standing in the community. Whereas, in the case of Delma Island, the opposite trend was evident as will be shown in the following chapter.

CHAPTER 8

Traditional versus Modern Social Relations: Redundancy

Case Study - Two

8. Introduction

The introduction of rational-legal forms of organization upon traditional

societies has not been a process entirely without conflict. Rational-legal practices

have not always been fully understood by local people, and local culture has not

always been understood by members of multi-national corporations. This has

occasionally resulted in tensions between the two sides which, as Chapter Seven

suggests, it is the task of public relations to diffuse. This thesis is tested in the

following case study.

The central issue in the following case study concerns the nature of

employment. In a modern-bureaucratic organization, employment is based on

instrumental rationality. To achieve its goals, the organization needs certain tasks

or functions accomplished, it recruits individuals to undertake these functions, on

an impersonal basis according to technical qualifications. Therefore in theory an

individual's position is related to his or her ability to perform a specific job rather

than his or her, social or political status. Furthermore, his or her progress within

the organisation should be related to his or her performance for the company

rather than social relations. Furthermore if the organization no longer needs the

job done or no longer has the resources to pay, then the post is redundant and the

post-holder is no longer required. He or she may be re-deployed or made redundant. In contrast in the most traditional societies an individual owes his status to purely personal relations rather than technical qualifications, and therefore hierarchies within organizations are similarly based on personal relations and usually kinship.

These different cultural perceptions upon the nature of employment form the basis of this case study. As employment and career advancement within a bureaucratic organization are based on impersonal factors such as qualifications and performance it therefore follows that the same will apply to redundancy. However in the case of a modern bureaucratic organization operating within a traditional society, it is likely that the motivations for the redundancy will be misunderstood and re-interpreted on a purely personal basis.

The following case concerns the local Oil Company, which is a multi-national oil company based within the traditional society of Abu Dhabi in the United Arab Emirates. The cause of the conflict was the decision of the company to reduce manpower as a result of falling oil prices in the world markets. The company selected candidates for redundancy according to legal-rational criteria, using the occasion to dispose of the least productive and most expensive workers to maximize productivity. In the main this targeted workers within the local community who reacted angrily to the decision, threatening a public outcry. Public relations techniques were used to smooth the process of the dismissals, which often involved taking decisions against the normal interests of the Oil Company, in the interests of long-term stability.

8.1 The Approach to Redundancy of the Legal-Rational Organization

The local Oil Company is a multi-national oil company based in Abu Dhabi. At the start of January 1994 the company establishment (workforce + vacancies) comprised some 1,555 posts. This number had increased throughout the previous five years. For example, in 1993 the company had increased its establishment by a total of 74 posts - an increase equivalent to 5 percent. An increasing workforce in a legal-rational organization is normally an indicator of economic success.

According to data provided by the company the distribution of the workforce within the company can be analyzed according to the four basic categories into which labour within the company is divided:

- 11 percent employed in managerial positions

- 46 percent employed in operational positions

- 26 percent employed in technical positions

- 17 percent employed in administrative positions

A further differentiation can be made according to the nature of contracts. This category divides in the following manner:

- 26 percent resident staff on regular contracts

- 74 percent staff on short-term contracts (varying in length but always under five years and usually renewable)

As with many primary industries, such as mining or agriculture, oil is an undifferentiated product and, therefore a buyer usually purchases at the lowest possible price. Therefore prices are standardized throughout the industry and an individual producer has little say in determining price.

Despite the existence of large cartels oil prices are prone to fluctuations and

during the period from 1.1.1993 to 1.3.1994 the price per barrel fell from $17.50 per barrel to $13.00 per barrel (a fall of 26 percent). Naturally a fall in income of this nature prompted the management of the organization to consider reductions in overall expenditure.

In March 1994 the company management met to consider how to reduce the overall budget with the least overall damage to long term prospects. The following is a simplified the local Oil Company budget estimate for the year 1994:

Capital expenditure	$ 430,932,000	(54%)
Operating expenditure	$ 109,697,000	(13.5%)
Normal operating	$ 187,995,000	(23.5%)
Manpower costs*	$ 71,591,000	(9%)
Total expenditure	$ 800,215,000	(100%)

Source: Company Budget 1994

Figures only include direct hire employees which the contractor's cost is not included and the normal operating cost appears to be understated in the above table.

(Note: the unusual low expenditure on 'manpower' which indicates that the industry is highly capital intensive.)

The largest item of expenditure as is evident from the above statistics is capital investment. However, it was realized that a reduction in this expenditure was bound to harm long-term economic prospects as would trimming operating costs. But a reduction in manpower on the contrary could actually enhance performance if the least productive labour was shed.

Having identified manpower as a potential area for saving expenditure, the management then had to consider whether the benefits of a redundancy programme would outweigh the costs, i.e. whether the economic gains accruing from a reduction in the workforce would be greater than the costs of the redundancy programme. The issue of forms of adverse publicity and possible loss of goodwill and the economic cost of golden handshakes also had to be taken into account. Having decided that it was worth these costs, the Head of the Organization Department (HOD) prepared a review of the company establishment assigned to achieve a reduction in manpower of 10 percent by 1996. This was equivalent to 141 posts and represented an estimated saving to the company of $7m before reductions.

It is worth considering the nature of decision-making in the legal-rational organization. It is possible to devise a number of ways for cutting costs without the need for redundancy. A 10 percent salary cut or a 10 percent reduction of the working hours could be considered as viable alternatives. Another option is to attempt to reduce operating costs but again this option is not looked upon favourably as it is difficult to estimate and officially document the potential savings. Yet the legal-rational organization prefers to conduct its business on the

basis of rigid and established procedures in which redundancy is acceptable but wage cuts are not as they break the link between reward and effort. Manpower reductions also apply to the culture of the legal-rational organization prescribed by Weber:

". . . there is a complete absence of appropriation of his official position by the incumbent. Where 'rights to an office exist, as in the case of judges, and recently of workers, they do not normally serve the purpose of appropriation by the official, but of securing the purely objective and independent character of the conduct of the office." (Weber, 1964, p 220)

Therefore an individual's position is separate from the office which he or she holds and hence nobody's position is permanent or guaranteed. Labour is seen merely in terms of another factor of production. Management, in the modern bureaucracy tends to lack of permanence created by such mechanisms as short-term contracts as it produces competition between individuals for office which ensures maximum productivity. The same criteria applies to the redundancy issue. Whilst Weber argued that "only under certain circumstances does the employing authority have a right to terminate the appointment" one such condition is to assure the survival of the organization and the company will use the opportunity to increase the efficiency of the organization. Thus, following the decision to reduce the company establishment, the Manager of Personnel and Training, and Head of the Organization Department conducted a study to identify the areas in which the job cuts may be effected (i.e. identifying the most inefficient areas of

the Company). The General Manager approved their report in April 1994, and Manager of Training and Head of Organization were asked to implement the recommendations of the report.

When faced with the problem of identifying the staff to be dismissed, Personnel and Training Department and Organization Department emphasized the need to establish a formal procedure so that all cases were dealt with in a manner which was most beneficial to the long-term interests of the company. Factors under discussion were:

- fairness to all staff - not to discriminate of non-relevant grounds such as age, nationality and social class.

- financial imperatives - achieving the redundancies with the lowest possible financial cost to the company.

- company reputation - the need to preserve the reputation of the company amongst the local community.

- efficiency - retaining the most productive workers and disposing of the least productive.

Whilst these aims have been listed this does not imply prioritizing. It is obvious that some of the aims are potentially contradictory. For instance, it is far more embarrassing for the company to dismiss local workers rather than overseas contract staff, but this does not mean they are necessarily the most efficient workers. Similarly, older workers may be the cheapest workers and the least controversial to get rid of as they were already approaching retirement age and were entitled to a company pension, but they may constitute the most efficient section of the workforce.

Therefore it was up to the Manager of Personnel to prioritize between these different concerns in devising a procedure. This task was completed by mid-April 1994 and the formula for selecting staff to be dismissed was circulated around the other divisional managers. The formula for selection in order of method was:

"1. The cancellation of vacant posts. This was an obvious measure as it helped the Company to reduce the overall size of the organisation through natural wastage and thus lessen the need for redundancy.

2. Reallocation

This means that the company could hold on to its best workers who may be concentrated in one area of production by retraining and moving them to another area where production is weak.

3. Compulsory Early Retirement

These targeted workers who were approaching retirement age and no longer had promotion and career as an incentive. They were likely to be compensated with a large retirement package. It applied to all workers who passed the age of 60 by 1992 but in practice retirement packages would probably be offered to all over the age of 55.

4. People with poor performance as determined by the yearly assessment mechanism undertaken by the company. Each local oil company employee is assessed by their respective departmental manager in every area of work. All aspects of performance are graded in five brackets (A - Excellent, B - Very Good, C - Satisfactory, D - Improvement Required, E - Poor). Candidates with an overall average of below category "C" over the

preceding three years were to be considered suitable for redundancy.

5. If the rationalization was still not achieved it is left to the judgement of

the Divisional Manager. " (Company confidential document)

What appears to be striking about the official procedure laid down by the

company was how strictly it adhered to the rational-legal model of decision-

making as prescribed by Weber. He writes that:

"every body of law consists essentially in a consistent system of abstract

rules which have normally been intentionally established. Furthermore,

administration of law is held to consist in the application of these rules to

particular cases." (Weber, 1964, p 330)

Therefore the company could have left the selection process, and choice of

which individuals to dismiss, to the discretion of Divisional Managers, but they

chose to do this only in the last resort preferring in the first instance to apply

impersonal rules to guarantee fairness and efficiency. In this way the management

wanted to ensure that it retained its most efficient staff rather than allow their

decisions to be influenced by personal loyalties.

What is also striking is the order of priorities laid down in the procedure. For

example, as the workers on short-term contracts totalled 74 percent of the

company establishment, it would have been relatively easy to let these contracts

expire and then not to replace them. However, in choosing to ignore

differentiation by contract, the company took the most meritocratic approach

available, as it made a conscious effort to retain its most productive staff rather than staff ones that it would be easy to dismiss.

. 8.2 Traditional Values: The Nature of the Local Workforce

Thus far the issue of redundancy has been discussed according to the legal-rational criteria of the modern bureaucratic firm. As was mentioned in the introduction, the local Oil Company is an organization based within the traditional society of Abu Dhabi which places certain restrictions upon it. This section looks at the issues relating to redundancy in a traditional society and examines to what extent the company made provisions for dealing with the local community in responding to this problem.

The local Oil Company is a multi-national company with a multi-national workforce. A breakdown of its workforce by nationality according to figures published in January 1994 reveals the following:

- 27% (394) UAE nationals

- 46% (702) Other Arabs (mostly from North Africa and the states of the Near-East)

- 19% (295) Non-Arab Asians (traditional area of recruitment being Pakistan, India and Iran).

- 8% (116) Europeans (mainly UK and France)

- 100% (1,529) Total Workforce

(Source: Company Policy 1993)

The local Oil Company also has a multi-national shareholding. According to the 1993 Company Review there are four major shareholders:

- 60%   NOC (National Oil Company). This is a state owned consortium which has a substantial share in all oil-based companies in Abu Dhabi, thus allowing the members of the local community to share the benefits resulting from the development of the oil industry.

- 14.66%   British Petroleum

- 13.33%   TOTAL

- 12%   JODCO (Japanese Oil Development Company)

(Company Brochure, 1996)

These two sets of figures are important as they reveal that the local Oil Company is far from being an independent company as 60 percent of its shareholding is by an agency of the national government.

The statistics also demonstrate the relatively low proportion of the national workforce. This is a source of concern for the company given the nature of its shareholding as it mentions career development for local people in all its official publications. In the Company Annual Review (1993) the General Manager stressed that:

"The local oil company continued during 1993 to absorb UAE nationals

into suitable jobs within its organisation. A total of 77 national developees

underwent training and development during the year, while 28 were

absorbed in established designate posts. "

The General Manager is concerned about the low proportion of UAE workers

as the national government has a 60 percent shareholding within the firm and is

effectively his paymaster. The general trend of falling oil prices from 1993

onwards alerted many within the indigenous society of the temporary nature of the

country's current affluence and of the need to use the affluence to create a solid

infrastructure and an educated workforce.

The relative economic slowdown also alerted the Arab political figures of the

danger of being too heavily dependent on an immigrant workforce. According to

an independent business survey conducted in 1994:

"A political economic issue that will become increasingly important

during the 1990s will be how to improve employment opportunities for

UAE nationals and reduce dependence on foreign labour. Almost 800,000

workers are currently employed in the UAE economy and, although exact

figures are not available, only a small minority (10%) are UAE

nationals. " (Figures from Business Monitor International 1994)

This concern was expressed in a highly instructive speech by Sheikh

Zayed, the President of the UAE since its formation in 1972 and ruler of Abu

Dhabi since 1966. Although the speech came after the time of the local Oil Company redundancies, it is the best demonstration of the political climate in which the firm must operate.

Sheikh Zayed, in a statement on 23rd April, 1995 called upon "the tribes and clans in the country to encourage the youth to work for their own good and for the good of the country and to work harder." In the course of the speech His Highness issued instructions to the Ministries and government departments to "hire retired people for suitable jobs to enable them to serve the country."

This particular speech may be seen as an illustration of the concern of the Sheikh of becoming over dependent on foreign labour, not simply from an economic perspective but also from a social and political perspective. It also gave a clear message to the regional employers that the President was extremely concerned about the recent spate of job losses and contained explicit instructions for the employers to take on more UAE nationals. Given that the government has a controlling interest in a firm such as the local Oil Company, the firm had little choice but to accept these instructions. Therefore the policy of recruitment and promotion in companies like the local oil company cannot be said to be conducted on the basis of merit as in the legal-rational organization, but are prone to political influence as is characteristic of a traditional society.

The education system in the UAE is still in the process of being developed. Although the 1980s saw the development of a University (at Al Ain) and six technology colleges in 1988, these are fledging institutions and cannot yet hope to compete with the long established institutions in the West. As a consequence of the need to maintain a stable proportion of the workforce from the local

community the company is, therefore, under pressure to recruit technically inferior local workers and then train them to perform specific tasks. According to Weber:

"Candidates are selected on the basis of technical qualifications. In the most rational case, this is tested by examination or guaranteed by diplomas certifying technical training, or both."

If the above criteria of recruitment is taken into consideration, then the conclusion that can be drawn is that the local Oil Company cannot be seen as a traditional bureaucratic organization in the strictest Weberian sense of the term.

Yet, according to the description of the procedure for the redundancies, as referred to in Section Two, the company wished to conduct the redundancies in April 1994 according to a strict rationalistic and impersonal procedure. The Head of Organization realized that this would inevitably affect the positions of some UAE workers. Therefore, at the end of March 1994 he briefed the Head of Local Relations of the decision to cut staff and prepare for the consequent adverse publicity and the provision of counseling.

It developed upon the Local Relations, Personnel and Training departments to execute the dismissals. Therefore the relevant departmental Heads met up in early April in 1994 to identify areas of potential difficulty related to making local workers redundant. They identified three potential areas of difficulty.

- *The Effect on the Individual.* The effect upon the individual was likely to be negative in three respects. The most obvious of these is economic. This

applied to both home-based and foreign workers. Even those being offered company retirement packages faced a fall in income and for those being dismissed this would be dramatic. Therefore it was agreed that the possibility of negotiating terms with individual workers would have to be considered.

There were also social and psychological effects on redundancy to be faced and these apply far more to a traditional society. In a traditional society redundancy is a relatively new concept and is likely to result in loss of face and social dislocation. This is because, in a traditional society there is no separation between the individual and their employment position. The different components of an individual's identity are not separated into different categories - social, economic, professional, etc. - as is common in modernized societies but are combined. Thus in the case of termination of a post, the professional and economic side of an individual's existence threaten all the other elements of an individual's identity and status. Therefore it was agreed that extensive counseling would have to be provided for all those who would require it.

The author when counselling these nationals whom they were to be retired, had noticed that they were only concerned with what other people would think about them being made redundant and how would they face their children and neighbours. Furthermore, from my experience, people tend to treat officials in certain employment with dignity while if these people were either resigned their jobs or made retired, this respect would disappear gradually.

During an interview with Mr. Ali Ahmed on September 1994 with the author, he was informed about his settlement package which the Company was offering. Mr. Ahmed is a UAE national and was working for the Company for the last 30 years. He said to the author when informed about his deal:

"after all these years you are throwing me out! You should protect me. You are a national like me. Do not listen to them! (He means non-nationals) *I know nobody outside the Company, I have my friends here. How do you want me to face the people outside?"*

Of course all these questions and comments show how angry and upset he was and he was worried to face the society for being made redundant, but after some time he came to terms with the situation and accepted the package.

- *The Effect upon the Company.* It was anticipated that the redundancies would have an adverse effect upon the company in terms of its self image, public perception and even in financial terms. Even prior to the announcement, rumours of imminent job cuts were circulated freely amongst the workforce. Those who were to be dismissed, of course, did not exist in isolation. They were workers with personal relations with other workers and therefore it was agreed that some ways and means of improving the company morale would have to be devised.

The effect on the public perception of the company was also a cause for worry. The UAE society is not accustomed to job loss and insecurity

over future development. Therefore the job cuts at the local Oil Company became one of the top concerns over and above the issue regarding the size of the immigrant workforce mentioned earlier. If they were to proceed according to the impersonal procedure, it was likely that the public would perceive it as inhumane and a betrayal of the local community on whom these job losses, were inflicted. This would affect the attitude of local shareholders and suppliers and make life generally more difficult for the company when dealing with local interest groups and institutions. Therefore it was anticipated that the provision of some positive publicity might become necessary.

- *The Effect upon the Country and Wider Society.* Evidence from other societies which have had to cope with job cuts have shown adverse economic effects such as loss of consumer confidence which has resulted in a reduction in spending and an increase in savings. The resultant economic downturn in Abu Dhabi was likely to be exacerbated by the extraction of overseas contracting staff from the domestic economy and, it was acknowledged that the difficulties faced by the local Oil Company were likely to be faced by numerous other oil-dependent companies in Abu Dhabi. Therefore it was considered important to consider the production of promotional material indicating that the current bout of redundancies was an exceptional event to be followed by a healthy economic forecast.

This section demonstrates that the mid-1990s were a period of self-examination for the United Arab Emirates as the economic shutdown caused by falling oil prices prompted concerns over the low employment rate of

UAE nationals. It also shows the attitudes that exist towards employment within a traditional society. Both factors indicated that the decision of the local Oil Company to deal with the redundancy issue under universalistic criteria had to be modified. This is because the timing was particularly bad and consequently the company was liable to run the risk of alienating the local community.

8.3 The Execution of the Redundancies

The previous sections have shown why the company took the decision to make the redundancies and the likely problems to be encountered with the traditionally based local community. This section outlines the particular shape that the redundancies eventually took, the extent to which the company followed its impersonal procedure documented in Section Two, and the role of public relations as a cultural mediator in presenting the redundancies and maintaining healthy relations with the local community.

As a result of the company review, the company manpower was reduced by 93 posts from 15th July, 1994 onwards with a further 48 to be phased out by 1996. These redundances were effected according to schedule. Of the 93 posts eliminated by 1994:

-	18	(19.4%)	Deleted vacancies
-	27	(29.0%)	Personnel redeployed to other vacant posts within the company
-	23	(24.7%)	Given early retirement
-	25	(26.9%)	Made redundant

| - | 93 | (100%) | Total posts eliminated |

The real concern in this case study is with the workers who were made redundant. The deletion of vacancies and redeployment of personnel to other vacant positions within the company can be seen as measures to reduce the number of workers actually dismissed. In order to keep the most efficient workers, although in different positions, and thereby preserve the image of the Company by keeping the figure for dismissed workers released to the public, relatively low. It is of note that 23 workers were given early retirement but this particular statistic needs to be analyzed to some extent. All these workers were approaching retirement age (all were 55 or above) and were UAE nationals as overseas workers all operate on short-term contracts and therefore technically cannot accept retirement.

Those who were to be made redundant were informed of their imminent dismissal in a letter from the General Manager dated 1st May. The letter stated that "due to economic difficulties encountered by the company, their services were no longer required. It went on to thank them for their services to the

company" and informed them of the option of two months' formal notice before wishing them well in future employment.

The issue of redundancies seems to reveal the most about the extent to which the company stuck to its official procedure. The results were published in the Company Establishment Review (CER) and can be analyzed in a number of different ways:

- Age: The CER reveals that, of the terminated staff.

  - 13 (52%) were over 50 years old.

  - 11 (44%) between 40-50 years old.

  - 1 (4%) under the age of 40.

- Length of service: In terms of longevity

  - 19 (78%) had served the company for over 10 years.

  - 6 (22%) had served the company for between 5-10 years.

- Nationality:

Asian	-	9 (36%)
European	-	3 (12%)
Non UAE Arab	-	11 (44%)
UAE	-	1 (4%)
Other	-	1 (4%)

- Reason given by the company for dismissal:

    - 7 (29.2%) as a result of 'structural re-organisation'

    - 7 (29.2%) owing to over-age

    - 6 (25.0%) termination of short-term contracts

    - 4 (16.6%) poor performance.

These figures give us a reasonable indication of the types of workers who were made redundant. The particular worker was most likely to be an elderly Asian or Non-national Arab with a long record of service who worked at a fairly low level at company operations or administration (i.e. did not save a lot of money).

The statistics also give rise to a number of important questions regarding the extent of which the company followed its impersonal review procedure. The first inconsistency relates to the reasons given for dismissal. Over 50 percent were dismissed as a result of old age or termination of short-term contracts but given the fact that all these workers had recently had their contracts renewed (none of them were on their first contract with the company), there were evidently far from inefficient. Therefore, whilst it is clear that the company paid scant regard to personal loyalty, it does seem that the workers dismissed were not those who would have been selected on normal legal-rationalistic grounds. The fact that only one UAE national worker was dismissed also seems unusual as UAE nationals have less incentive to perform well compared to overseas workers. This is because they are from a stable economy with a good rate of employment and get preferential treatment, which is part of the company policy. The Company will also have invested a considerable amount of resources in the 'nationals', such as induction and orientation training, which would not have been available to non-

nationals.

One possible interpretation indicated by these statistics is that when the company had exhausted the options of deletion of vacancies, redeployment and early retirement, they were still left with 25 dismissals that they had to effected to fulfil the company's rational objective. However, when faced with the dilemma of who to dismiss, they abandoned their rational universalistic procedures. Instead the option for some workers who they knew could be dismissed with a minimum amount of controversy in terms of the local community, the localized workforce and who were not likely to press for extensive compensation.

A good illustration of this perceived reluctance of the local Oil Company management to dismiss local workers is given by the case of 10 UAE nationals whom the company attempted to dismiss by utilizing this occasion. All 10 workers fulfilled the criteria for dismissal according to the official procedure (an average performance rating over the previous three years of below category "C"). When the workers were informed of their dismissal (by the letter referred to earlier in this section, 1.5.94) they all made appointments with the Head of Local Relations to complain about their dismissals. Therefore over the course of the next fortnight (1.5 - 14.5) the Head of Local Relations personally interviewed all 10 workers to discuss their concerns. Because of the confidential nature of these interviews, these cases can only be referred to in general terms.

Typical complaints that were forthcoming were that the workers had been loyal servants of the company as all of them had served for over five years. Some claimed that their poor performance record was a result of "unfair and biased assessment." All the workers threatened to take their complaints to political

agencies within Abu Dhabi unless they were reinstated. Some threatened to inform Sheikh Zayed and members of the Royal Family about their dismissals whilst others threatened to inform the National Oil Company (which is a 60 percent shareholder within the local Oil Company).

The Local Relations released the potential damage that such complaints could do to the company's standing within the community. Therefore, he prepared a document, which was sent to the General Manager (17.5.94). It urged the General Manager to:

"Reconsider the dismissal of the 10 national workers in the light of previous commitments on the part of the local oil company to develop career paths for UAE nationals."

The General Manager replied three days later (20.5.94). He claimed that:

"The management have carefully selected candidates for rationalization according to strict criteria and feel that it would be improper to alter any *decisions at this late stage."*

Some of the workers complained to members of the Abu Dhabi royal family and some complained to the higher authorities within the National Oil Company (which is a 60 percent shareholder within the local Oil Company). When complaints over the dismissals were transmitted back to company management

from these influential figures within the local society, it was felt on the part of the management that some compromise had to be reached, as the implications of proceeding with the dismissals would create too much local resentment. Therefore the workers were retained on the understanding that their performance must improve over subsequent years.

There are a number of possible conclusions that can be drawn from this case. The central implication is that the universalistic criteria that the management sought to impose upon the redundancy issue were never realistic when set against the need to justify its own existence within the local community. There is a tendency within a traditional society to view the distribution of a commodity from the source of traditional authority to the group to administer this commodity as being highly conditional as Weber suggests:

"Appropriation may rest leasing, on pledging as security, on sale, or privileges - which may in turn be personal, hereditary, or freely appointed - may be unconditional, or may be subject to the performance of certain functions." (Weber, 1964, p 349)

Whilst Weber is referring to relations between members of a traditional society, this arrangement can be used as a metaphor in terms of the relationship between the local oil company and the President of the UAE who has personal authority over the territory. Therefore whilst the company has been given the right to exploit the resource on behalf of the President, this right is conditional upon the company developing its local workforce. It is of course possible, that the workers

fully understood the nature of this relationship and sought to exploit it for their own personal gain. However, the legitimacy of their complaints is largely irrelevant as the case proves that when a company operates within a traditional society it must adapt its practices to operate within the limits of traditional authority.

What makes this particular case-study on the issue of redundancy unique when compared to the two other case-studies, is the method employed by the dismissed national employees who took recourse to the traditional style of redressing their grievances. They did this by complaining directly to the members of the Royal Family or to the higher authorities in the oil companies. But in the two other case studies on Seismic Survey and the Delma Island, the aggrieved members of the local community were goaded by the profit-motive which is against the spirit of time-honoured traditional values. They sought to reap the maximum benefits by exploiting a particular situation.

Furthermore, this case study also throws light on one fascinating aspect of the traditional way of life in the Emirates which continues to maintain its relevance even today, despite the all round changes that have taken place in the wake of modernization. On matters directly affecting the UAE nationals such as topics of retrenchment or redundancy, the individuals concerned can still take their complaints directly to the ruler or other members of the royal family through their respective 'majlises.' The grievances are redressed here through a consensus approach that is subsequently reflected in changes in decision-making. The fact that the local Oil Company had to re-instate the ten UAE nationals who were made redundant, illustrates the extent to which traditional methods and

institutions have been able to retain their vitality and are continuing to play an important, although often unpublicized role in the evolution of the society in the UAE. As for the ones who were made redundant they accepted a golden handshake.

8.4 The Role of Public Relations

The previous sections have demonstrated the objective problems facing the legal-rational organization, the process in which it attempted to deal with them and the extent to which it was forced to adapt its process to deal with objections from within the local community. This section seeks to highlight the way in which public relations techniques were employed to deal with any resentments and regenerate trust between the organisation and the public.

As was demonstrated in the previous section, the local Oil Company had to make dramatic changes in its official procedure to cope with local concerns. However, as noted in Section Three, the United Arab Emirates is both a traditional and affluent society absolutely unaccustomed to industrial disputes of any nature. The company still had to give 23 UAE workers compulsory early retirement, and whilst the majority of them were happy to accept the local Oil Company retirement package, six workers appeared dissatisfied and needed special counseling which was provided by the Head of Local Relations to accept the package.

In order to evaluate the role of Local Relations, the author has examined the case of Mr. Minhali. He was a worker approaching retirement and was informed of his imminent retirement in a meeting with Head of Local Relations on 22nd

January, 1994 as an early part of rationalization procedures. Mr. Minhali was a suitable case for compulsory retirement principally because of his age, but also due to a long running dispute with the company over a Social Allowance of Dirhams 28,540 ($7,000 approximately), which Mr. Minhali erroneously claimed from the company and which the company had previously attempted to reclaim. Mr. Minhali refused to accept retirement unless the amount was waived, and at a later meeting with Head of Local Relations (21st September, 1994) Mr. Minhali was suspended on full pay, pending settlement of the issues. Finally, the case was resolved on 31st January, 1995 as Head of Local Relations finally persuaded General Management to waive the outstanding payment to finally resolve the issue.

What the case demonstrates is the role of public relations in adapting the impersonal rules of a legal-rational organisation to a traditional society. Whilst the demands made by the worker concerned were highly questionable it was considered in the interests of the company to give into these demands. This would avoid the kind of ill feeling in the local community as was illustrated in the reaction of the President documented in Section Three of this chapter.

As has already been documented in Chapter Four, the nature of the local press in Abu Dhabi differs considerably from that of its counterparts within Western society. In the UAE, the press does not possess financial independence as it is dependent on the government for considerable subsidies. Therefore, whilst in the West, the press is generally opinionated and populist owing to the need to cater to a mass market, in the UAE it is reluctant to criticize oil companies such as the local Oil Company where the government has a majority shareholding. Therefore,

despite being a newsworthy story, the redundancies at the local Oil Company received little news coverage as the same system of public subsidization also applies to television stations in Abu Dhabi.

Given the considerable uncertainty, which existed within the workforce following the removal of some 10 percent of posts within the company, it was felt at Local Relations that some degree of reassurance would have to be provided. Head of Local Relations considered the best mechanism for doing this to be the biweekly company newsletter The Bulletin published by Local Relations. The newsletter (Vol. 11, No. 368 published 11th August, 1994) stressed the forward thinking nature of the recent organizational changes. It also included direct encouragement to the local workforce stressing that its three central organizational goals were "quality, cost efficiency and the development of UAE nationals." It went further to say that a priority amongst UAE nationals would be "developing career paths for key posts and individuals," implying that the short-term contract system used for the employment of overseas workers had meant that career development for the resident workforce may have been neglected in the past.

One function that the media in Abu Dhabi does perform is that of relaying official organizations and their various public. This is a mechanism which can be employed for promoting positive public relations. At the end of 1994 the General Manager of the local Oil Company was still concerned about low morale both in terms of the direct workforce and other related local bodies such as the suppliers and local shareholding. Therefore he asked the Head of Local Relations to organize a meeting with all members of staff which Head of Local Relations organized on 3rd February, 1995 at the Cultural Foundation in Abu Dhabi. The

meeting was the first since the General Manager had taken over and was used to outline the local Oil Company's roles and missions and to improve its efficiency. It also served as a focal point to promote a better dialogue between the company's management and personnel through question-answer sessions and by discussing policy matters with the general staff.

Following the meeting, a press release was relayed to local Arab newspapers Al Ittihad and Al Wahda detailing the meeting as a mechanism to give the workforce a say in company policy. Head of Local Relations also used the press release to promote the company's policy of positive discrimination towards UAE nationals:

"Matters pertaining to the local oil company's manpower, and in particular the integration of UAE nationals into its workforce, were also outlined. Discussions also covered ways and methods to be taken to meet the objectives underlined by the General Management's vision."

The press release was dutifully reported in Al Ittihad and Al Wahda the following day (4th February, 1995) together with the basic factual details of the meeting.

What is clearly evident from this section is the use of basic public relations techniques employed by the company to improve morale following a redundancy programme. The central issue identified was the need to reassure the local population of the company's commitment to local workers following the decision to give a large number of UAE nationals compulsory early retirement. The public relations techniques employed by the company were a compromise over the

settlement of retirement packages, the provision of information to explain to the public who were ignorant about the necessity of the job outs and increased communications to transmit the concerns of the workforce back to central management. All these can be seen as a concerted attempt on the part of the legal-rational organisation to quell the anxieties of a traditional society still relatively uneducated in terms of the practices of a modernized organization.

8.5 Comment

This case study shows the more subtle approach needed by the legal-rational organization to solve problems of over-manning in a traditional society used to basing employment on personal loyalties rather than productivity or qualifications. The company had 10 percent more staff than was needed to run the organization efficiently and therefore made the decision to reduce the establishment by 10 percent. To do this, it produced an impersonal and formal procedure to select workers suitable for retirement and redundancy. Whilst this procedure was followed in the majority of cases, it appears that the management modified the procedure in some cases to adapt itself to local ideas of personal loyalty and the need to operate within the boundaries imposed by traditional authority.

The case study also demonstrates the value of public relations as cultural mediation. Where the company sought to ignore the advice of its Head of Local Relations it paid a high price. It managed to offend both its majority shareholding and the key figures within political society and was eventually forced, by the sheer weight of external pressure, to reverse its decision. Public relations was employed in later cases to restore the standing of the company in disputes with staff and

decisions were modified to limit the controversy with the local community. Finally, public relations was employed to reassure the public of the inability to avoid the job cuts and to reassure existing workers that the company was back on the right track and their career prospects had not been damaged.

CHAPTER 9

Delma Island

Case Study - Three

9. Introduction

This third case-study, which concerns the activities of the Oil Company's public relations staff in the development of an administrative and logistics depot at Delma Island, forms the subject matter of this chapter. In contrast to the previous chapters and counterintuitive in the extreme, this case features the intervention of the public relations staff on the behalf of the community of Delma. As opposed to the traditional public relations duties and responsibilities of explaining and supporting the company's position, in this instance the public relations practitioner, after investigation, convinced the management of the local Oil Company to reverse their positions taken heretofore. This is an uncommon example – one in which the Head of Public Relations truly performed a mediation function. He must have been subjected to a condition of 'cognitive dissonance' - that is being the recipient of conflicting messages. Clearly on this occasion he fell back on his traditional roots, and found the issue to be sufficiently compelling, that his loyalty to his society and its values took precedence over his loyalty to the Company.

Before delving into the details of the local Oil Company's involvement in Delma, it is necessary and appropriate to explain why out of some 200 islands

contained within the Emirate of Abu Dhabi, Delma Island was chosen for a special relationship with the local oil company. To begin with, a brief historical sketch of the island is necessary. Delma was a location of economic significance long before the discovery of oil in the region. The literature does not reveal a great deal about Delma, except for some scattered references in the writings of local Arabs and in Lorimer's Gazetteer of the Arabian Gulf. But recent archaeological excavations carried out on the island have brought to light remains belonging to the early Islamic period. Without question, civilization at Delma goes back to several centuries.

"In the northern part of the Palm-Grove, what appears to have been a port, and a dwelling date back to the early Islamic period." (French Agency, 1979)

More important than this ancient historical background, attention should be drawn to the fact that Delma Island was of vital strategic significance to the region in the past few hundred years, and served as the premier pearling port in the Arabian Gulf until the discovery of oil.

"Delma Island got its importance as a Pearl Port and was considered as the first Pearl Port in the Gulf. A pearl market used to be held in Delma where merchants used to come from the Gulf countries as well as from the neighbouring countries." (Al Otaiba, 1990, p 51)

The second largest island in the Emirate of Abu Dhabi after Sir Bani Yas, Delma in fact was the only island of any importance in this region for the past two centuries. Situated 210 km. West of Abu Dhabi and 40 km. from its shore, Delma is within easy reach by sea and at a convenient distance from the coast. The island was apparently formed by the rise of a salt-plug, which combined with ancient deposits. Subsequent erosion helped to create a spectacular and complex set of landscapes divided up into many different reliefs. Like the other islands in the area, the Delma oval is extended to the south by a flat sedimentary sand spur. Ample rainfall, availability of fresh water and a soil suitable for agriculture favoured the settlement of the island from the earliest of times. The majority of early Delma inhabitants were sailors, fishermen and pearl-divers, but these Delma residents also maintained their links with the coastal region which they visited as far as Mirfa and sometimes spent their summer months in Liwa. The first group of people to have migrated from Abu Dhabi island and settle at Delma were the Mureikhat tribe from the Bani Yas confederation. (According to Mr. Rashid Al Dowsari, an old inhabitant of the island who was interviewed by the author).

When the Bani Yas tribes started settling in the island of Abu Dhabi from the 1760s, they turned more extensively to the sea because of their dependence upon pearling and fishing as important sources of livelihood.

"The pearl fishing took its importance in Abu Dhabi Island after the settlement of Bani Yas Tribe in Abu Dhabi shores in 1769." (Otaiba, 1990, p 42)

"During the time when the pearl trade flourished, Abu Dhabi became one

of the most famous pearl centres throughout the Arabian Gulf. Among the

several pearl fishing ports which belonged to Abu Dhabi and were

frequented by fishermen and traders from time to time during the diving

season to replenish their stocks of water and food, Delma Island occupied

a position of pre-eminence. " (Abdullah, 1978, p 96, 103)

Delma gained its importance as a pearl trading port due to its central location within the pearl diving areas, and an excellent harbor permitted the ships which docked there to gain protection from wind and storms. A pearl market used to be held at Delma in the diving season, during which the population on the island increased by a factor of ten. Pearl traders from all over the Arabian Gulf and the countries of South and Southwest Asia flocked to the island, and a vigorous movement of freight and commerce was the norm during the fishing season. As Dr. Mana Saeed Al-Otaiba, 1978, the ex-Minister of Petroleum remarked, "Delma was probably the foremost port in the Gulf as regards pearl, fishing and trade."

The pearling and fishing industries were central to the economic livelihood of the Emirate of Abu Dhabi until the middle of the twentieth century. This economic reality added to the political weight of the state of Abu Dhabi during this period. Until the outbreak of the Second World War, the pearl industry was in fact the backbone of the national economy of the Emirate, both in its private as well as the public sector. About 85 per cent of the total population of Abu Dhabi,

then estimated at about 55,000 inhabitants (unlike today, mostly natives), used to work in the pearl industry, either directly or indirectly.

"The government's main source of income used to be from taxes levied on the pearl industry which accounted for 95 percent of the total national income. The other 5 percent, used to be derived from other sectors like agriculture, trade, farming and fishing." (Otaiba, 1978, p 24)

At the turn of the present century, the pearl industry was at the height of its prosperity, especially during and after the First World War. During the time of the 'Great Depression' of 1929-33, the pearl industry suffered greatly. New developments in the world in general and in the Gulf during this period, particularly the discovery and perfection of the techniques associated with the acculturation of pearls by Japan, led to the decline of the Gulf pearl industry as a primary source of income. It is difficult to determine precisely when pearl commerce ended, and modern commerce began. But of course the discovery of oil had a tremendous impact on all aspects of economic life in Abu Dhabi. Abu Dhabi, whose exports once consisted of pearls and dried fish, began to ship crude oil to Europe, Japan and the USA from approximately the 1960s. Amongst the most immediately apparent effects was the arrival of oil companies in Abu Dhabi, an arrival which created employment for hundreds of people, and at relatively high wages. This had the effect of shifting a significant part of the labour force from the pearl industry to the oil industry.

Along with pearling another traditional occupation to be affected was fishing. In the past, fishing was an important economic activity on Delma Island, second only to the pearl industry, due to its contribution to the national income of Abu Dhabi. Its importance however, began to decrease gradually when many fishermen turned to other means of employment, employment which required less strenuous work and provided a steadier and more secure income. Thus with more and more people moving out of Delma Island in search of jobs, and with the decline of two of its most important economic activities, Delma, the foremost pearling port in the Gulf began to witness a period of slow and steady decline.

When Sheikh Zayed became the ruler of Abu Dhabi in 1966, the new found oil wealth begun to be utilized under his direct orders for the development of UAE and its people. "The main function of our wealth should be the greatest happiness for the greatest number of people," according to Sheikh Zayed. A man rooted in his Arab-Islamic heritage, Sheikh Zayed was committed to reviving and preserving the past traditions in the face of rapid modernization. The new ruler of Abu Dhabi attached special importance to Delma Island, which in the past had served as the Emirate's financial backbone. By way of gratitude for their previous contribution, Sheikh Zayed gave orders to the oil companies to reactivate Delma Island, and to provide to its inhabitants the basic amenities of life and means of livelihood. His aim was to re-invigorate the traditional occupations of the islanders, according to G. Al Ghusain, Head of Delma Co-operative Society.

9.1 The Oil Company's Contribution

In accordance with the wishes of Sheikh Zayed, the local Oil Company went ahead with several development projects on Delma Island. The location of Delma Island, in close proximity to Das Island, the industrial base of the local Oil Company for processing, storing and exporting crude oil, and to other important offshore oil fields such as Zakum and Umm Shaif, constituted an important advantage. Furthermore, as Delma is situated closer to Abu Dhabi, it was in an ideal geographic position to offer safe refuge to the population of the nearby islands in the event of evacuation during emergencies. In view of these circumstances, oil company management considered Delma a good base for supplies, and the management of the local Oil Company entered into agreements with the Delma Cooperative Society for the supply of fresh fish and vehicles to Das Island. (The local Oil Company File Note: Contract No. 80/113 concluded on 3rd February, 1981). For this purpose, necessary facilities, equipment and financial aid were provided by the Company to the Cooperative.

The local Oil Company's agreements with the Delma Cooperative for the supply of fresh fish to Das Island deserves special mention in this connection as this was an issue in which the ruler of Abu Dhabi and the President of the UAE, Sheikh Zayed was directly involved. The contractual obligations were framed in the neutral, impersonal and rationalistic manner typical of a western-style industrial organization. Yet in actual practice, these legal instruments were overruled on several occasions by the person-to-person relationship, or by motives of service to community. On several occasions the community of Delma exhibited the typical characteristics of a tribal society, and functioned in accordance with

Islamic tradition. As regards the original agreement entered into by the local Oil Company and the Delma Cooperative Society for the supply of fresh fish at Das Island, (File Note: Contract No. 80/113 concluded on 3rd February, 1981) the management of the local Oil Company on several occasions pointed out the necessity of adopting rationalise policies in response to changing economic dynamics. As a result of a substantial decrease in the population of Das Island, the quantities of fish supplied by the Delma cooperative were far in excess of possible consumption. Furthermore, some argued that the over fishing, and resulting spoilage amounted to the depletion of a precious natural resource which all concerned should strive to reserve wherever possible. Further, the amount paid to the Delma Society for the fish was also substantially higher than the market price. According to the agreement, the Society was paid the amount of Dhs 480,000 per month against the provision of 23,000 kg per month although the actual price was Dhs 368,000. (The local Oil Company File Note: Fish Supplies dated 15th April, 1989).

The possibility of reduction of fish supplied to Das Island, in accordance with the quantities suggested by the local Oil Company, was discussed again and again by the Company authorities. These sought the Society's cooperation to reach a common understanding and an amicable solution (The local Oil Company File Note: Supply of Fish at Das Island, dated 20th July, 1986, the local Oil Company Record Note dated 15th October, 1988, the local Oil Company File Note dated 6th November, 1988, Memo from Head of Local Relations, the local Oil Company, dated 21st November, 1988). The Society representatives "expressed their

appreciation of the local oil company's support to the development of Delma through their cooperation with the Society" (The local Oil Company File Note dated 20th July, 1986, p 2) and acknowledged "the valuable assistance offered to the Society by the local oil company during the last few years when they badly needed it." (The local Oil Company File Note dated 6th November, 1988, p 2)

But as far as taking a decision on this vital question, it was pointed out by Mr. Eyad Saeed, Manager of Delma Cooperative Society that he could not comment on this request as it was a 'sensitive' issue. Based on the above, the Head of Local Relations of the local Oil Company suggested that the issue should be taken up with Mr. Ghassan Al-Ghusain, Representative of the Society "as the subject is important to H.H. the Ruler." (The local Oil Company Record Note, Confidential, dated 15th October, 1988) It was also suggested that the question of price reduction to Dhs 380,000 to be paid monthly to the Society against the provision of 21,000 kg "despite the fact that the actual price of this quantity is only Dh. 336,000, should be taken up for further discussion with H.H. Sheikh Khalifa," the Crown Prince of Abu Dhabi. And finally, if such a settlement was reached, "the Chairman of the Society would brief H.H. Sheikh Zayed to obtain his consent." (The local Oil Company File Note: Fish Supplies, dated 15th April, 1989, p 2) However, it was pointed out by the Head of Local Relations to the management that it was not really worthwhile to pursue this relatively minor issue with the authorities. After consultation, it was decided on the contrary to request the Delma Society to reduce the quantity of supply of fresh fish to 10,000 kg per month, without reducing the price that was being paid so far.

The above account furnishes a clear and categorical example of the fact that notwithstanding the decisions of the local Oil Company authorities and the rationale behind these decisions, the ultimate say in the matter rested not with the management of the Company, but with the Ruler of Abu Dhabi. What should be further emphasized is that the cultural entrepreneur on this occasion went against his formal training of disregarding personal elements and applying rules in a neutral manner. On the contrary, he underlined the importance of the Ruler's wishes and traditional sentiments by mediating on behalf of the community against the short-term interests of the Company, and against the expressed interest of the Company's expatriate leaders.

Like the issue of the supply of fresh fish to Das Island, the local Oil Company was also required by decision of the ruler to hire the Company's requirements for vehicles exclusively from one source, unsurprisingly the Delma Cooperative Society. In accordance with a Resolution passed by the Executive Council and a circular issued by the Department of Petroleum (The local Oil Company File Note: Vehicles Hire and Supply of Fresh Fish from Delma Cooperative Society, dated 26th December, 1987) Delma was provided a 'sole source' contract in perpetuity. In this particular case also, the question of gradually increasing "the number of hired vehicles from Delma Society" was taken up "until the number of vehicles owned by the Company becomes equal to the vehicles leased from the Cooperative Society."

The Commercial Division of the local Oil Company was also required to explain to the local Gas Company, a gas processing company sharing the same

island facility with the local Oil Company, the special arrangements for the hire of

vehicles from the Society. The society essentially prevented the local Oil

Company from cancelling contracts of vehicles – even unneeded vehicles -- leased

. from the Society, explaining that such an action would be inconsistent with the

Resolution of the Executive Council and the Circular of the Department of

Petroleum. (The local Oil Company File Note, dated 26th December, 1987, p 2)

The above is another example which proves that the relationship between the Oil

Company and the local community is determined by the necessity of abiding by

the spirit and letter of the law. This emanates from the highest authority of the

country, rather than by the decisions of the Company dictated by the exigencies of

the situation. Buying fish and hiring vehicles from the Delma Cooperative Society

was only one out of the several other projects that were undertaken by the local

Oil Company in response to the directives from the highest authorities of the land.

Given below is a survey of these projects that covered a wide variety of fields for

the all-round development of Delma Island.

An island is a small world in itself, and the opportunities for government

intervention to improve the economic position there are fully comparable on a

proportionate scale to those that apply in territories of much greater size.

However, when the local Oil Company put forward the proposals for

development, they made sure that these were conceived in relation to the island's

specific assets. They were designed to make the island better known to the

outside world, to increase its revenue, and to improve the quality of its inhabitants'

working and living conditions. It is claimed that, taken together the projects

envisaged can form a coherent and relatively significant whole, while remaining

on the human scale. The projects recommended were considered in relation to two main factors:

- The main feature of Delma is that it is an island, and this might be looked upon as a handicap to development. However the oil company took a different view of this factor and, by making proposals for considerably reinforcing the island's maritime activities, sought to turn it into a major advantage.

- The inhabitants of Delma possess exceptional skills regarding navigation, a specific type of fishing, and the sea in general; the development projects recommended were mainly directed to this small seafaring community and to making the most of its natural abilities.

Proposal No. 1: Fisheries Development

Three lines of action were proposed which were complementary to each other:

- Development of an improved version of the traditional fishing dhow.

- Placing of fish marketing on an organized basis.

- Extension of port facilities.

A refrigeration unit handling fish was planned for the near future. This proposal was intended to ensure that the unit in question was adequately supplied in order to bring benefits to the local population. The Ruqq um Ambar Bank covering more than 2,000 square km is less than 10 sea miles from Delma and constitutes a good permanent fishing ground. The promotion of the artisan fishing sector was aimed at bringing a substantial increase in the size of the fishing boat's haul without involving the risk of over-fishing.

Traditional Fishing Dhow Improvement

The hull design, the arrangement of superstructures, and the construction techniques employed were the fruits of long experience of the local conditions of navigation. It was therefore decided that the basic characteristics and design of these boats should remain as at present.

Fishing Technique

The driving engine was to be used instead of hauling and raising of nets by hand to speed up operations, enable a larger number of nets to be laid, increase the haul per boat, and improve working conditions on board.

Handling of Fish On-Board

An improvement in the design of the holds with an adequate total capacity was to ensure better conservation of the catch, slow the melting of the ice, and provide better working conditions for the crew. The boats would carry a hoist operated by the captain for lowering the baskets of fish into the icing compartment. Finally, using a mechanical landing hoist also powered by the main engine would shorten the unloading time.

Safety and Comfort

Improvements of safety and comfort were to be effected at small cost:

- Better arrangement of crew quarters, with fitting of air-vents for improved ventilation;

- Introduction of a few simple bridge facilities, such as hydraulic assisted steering and a magnifying compass; and

- Installation of a simple and efficient lighting system to marine standards.

Fish Marketing Organization

The improvements carried out in the fishing dhows would make it possible to organize fish marketing on new lines, with an official Fish Buyer operating in Delma and shipping the catch to Abu Dhabi for disposal.

Two or three carrier boats - dhows with other improvements made to them - would take the catches to Abu Dhabi.

Consequently, fish exports from Delma were expected without difficulty to reach 600 tons per year, corresponding roughly to the annual rise in consumption at Abu Dhabi.

Extension of Port Facilities

The installation of a beacon and radio-beacon, the construction of a loading and unloading jetty, together with various smaller improvements and additions to existing facilities would ensure that full advantage was taken of the works already financed by the State.

Proposal No. 2: Marine Research Centre

The Delma Marine Research Centre was envisaged as having a high scientific capability such as would earn it wide recognition. The Island's location, reasonably close to most of the other islands of the Emirates and to the main development areas along the coastline, makes it particularly suitable as the site for an establishment of this kind. The terms of reference of the Centre will cover the Environment, the Fishing Industry and Aqua culture. Under these headings, it was proposed that the Centre will be involved in a large number of areas of study such as:

- Carry out all kinds of basic research on exploitation of the living resources and the marine environment.

- Obtain, record and process the corresponding data.

Research will cover the areas of marine biology, bathymetrics, sedimentology, and the sea's physical and chemical characteristics. An evaluation of live resources will enable the Centre to draw up an inventory of plant and animal resources, by geographical areas. These evaluations are the essential prerequisite for research into the evolution of marine life in the region and thereby determine a reasonable policy of its exploitation by reference to all the facts.

As a regional focus for marine information, the Delma Marine Research Centre will be a permanent post for observing the sea environment. It is known that most nuisances affecting the sea and marine life have a cumulative effect over time, sometimes directly and sometimes indirectly: through industrial and urban waste, waste discharged from ships in transit, draggling desalination activities, and desalinization plants are less known than oil mining and oil traffic, yet these do constitute actual or potential sources in a sea area that is fairly tightly enclosed and thus deprived of most of the diluting effect enjoyed by seas opening onto the ocean deeps. This is now a fact in the Mediterranean Sea.

The Delma Marine Research Centre is thus expected to play an active role. In conjunction with the fishermen themselves, it will design and test new fishing methods and processing technologies. Drawing on research findings already available, the Centre will make pioneering experiments in the Gulf with aqua culture, and be in a position to supply invaluable information to prospective investors in this activity. For example, prawn fishing in the Gulf is threatened with

extinction owing to over-fishing by industrial-scale operators, and this could be replaced by prawn farming on lines demonstrated by the Centre's aqua culture experiments. In addition to informing the general public, the Centre will also . organize practical courses dispensing technical information and training. It will also provide a forum for meetings and the exchange of information.

Furthermore, the Centre will provide consultancy services such as by performing ad hoc studies of the impact on the sea environment of construction and other development projects both in coastal areas and out at sea. Other projects include the incidence of urban and industrial pollution, as well as by contributing to the engineering studies in connection with harbour works, and so on. In the long run, the Centre will manage a wide range of facilities: laboratories, an oceanographic research vessel and equipment, small craft, offices, storehouses, workshops, aquariums, exhibition rooms, meeting rooms, living accommodation for permanent staff, trainees, visitors and sailors, an office in Abu Dhabi, means of communications, and so on. The advice of the Delma inhabitants will make it possible to link up the knowledge and traditional experience together with modern science. Delma boats will be used for the need of the Centre.

Proposal No. 3: The Cultural Heritage

As is generally the case, the modernization of life in Delma threatens to destroy the remains of past history. At present, three archaeological sites are active: two of them, on the shores, date back only to fairly recent times (18th/19th Century). The third is located between the village and the hill region and is attributed to the time of the Sassanids, or the earliest Islamic period, about which

little is known so that studies at Delma would make a valuable contribution. Three mosques and an ancient dwelling typical of traditional construction in the Gulf deserve restoration. Among the many natural mounds, it is very likely that some at least are man-made and therefore should be explored.

Proposal No. 4: Agricultural Potential

Some worthwhile development ventures already started should be supported and extended. More advanced technical practices can be expected to bring good results. A soil map of the Island would chart the most suitable areas for agricultural development and identify their aptitudes (garden crops, afforestation, grazing, orchards, etc.). As a first step to making the Island self-supporting in fresh vegetables (such as lettuce, cucumber, tomatoes and potatoes), an area of 2.5 hectares would be put under these crops. This proposal is consonant with the current fresh water production capacity, which will probably have to be increased at some future date. The use of natural fresh water resources should be prohibited so as to prevent contamination and eventual sterilization of the soil by salt from the brine table.

Proposal No. 5: Public Services and Amenities

It was to be expected that the growth of population in Delma and the development of life style in the island, would generate a demand for installation and equipment improving the life of the residents. The range of services and amenities available at Delma needs to be extended by the provision of additional ones. Suggested construction projects include a new mosque, a small hospital, an

air passenger terminal, a guest house, new sports facilities, and an education centre, a cinema hall and buildings to house the port administration and services, etc.

9.2 Proposals for Delma

It is estimated that the current population in the island is 4,500, of which 2,500 are natives, the remainder being immigrants attracted to the island by recent development projects; temporary labourers on construction sites, and some permanent residents in regular occupations. These permanent jobs number 3,000 of which about half are provided by the municipality in connection with the new development projects. These include a new port, a sea-water desalination plant, an electric power station, a new airport, two schools accommodating all the island's children, a health care centre, some shops, an ice and cold-storage plant, 400 completed houses with a follow-up programme of a further places, new plantations, a service station, and so on.

Feedback of the Population

Table No. 8.1 - Indicates the distribution of the sample according to their ages

Age group	Frequencies	Percentage
20 – 24	5	5.9
25 – 29	6	7.1
30 – 34	11	12.9
35 – 39	21	24.7
40 – 44	20	23.5
45 – 49	10	11.8
50 and more	12	14.1
Total	85	100

The Public Relations Department of the local Oil Company interviewed, in 1995/96 a sample of '85' heads of households in Delma Island to find out whether they are satisfied with the services provided to them by the local Oil Company. Before proceeding further on this issue, it is necessary to highlight the characteristics of these samples demographically, economically and socially. Concerning demographic characteristics, the age factor seems very important. As shown in table No. 8.1, 61.1% of the sample pertains to the age-group of 30-44, while the rest of the sample (12.9%) pertains to the age-group of 20-24 (5.8%). 25-29 (7.1%) and (11.8%) pertain to 45-49 and the rest of the sample (14.1%) pertain to the age group of 50 and more.

Table No. 8.2 - Indicates the educational status of the sample

Educational Level	Number	Percentage
Illiterate	19	22.3
Literate	29	34.3
Intermediate	24	28.2
High education	13	15.2
Total	85	100

Despite the fact that the inhabitants of the island are divided between citizens and non-citizens, their educational level seem to be moderate. As shown in table No. 8.2 most of the sample are educated but with varied educational levels. According to the data, 34.3% are literate, 28.2% have intermediate certificates, while 15.2% are highly educated. At the same time, the above data indicates that a percentage of 22.3% can neither read nor write. This means more efforts should be put in to improve the percentage of literacy in the island.

Table No. 8.3 - Indicates the distribution of the sample according to their occupation.

Occupation	Frequencies	Percentage
Agriculture	16	18.8
Fisherman	23	27.3
Teacher	9	10.5
Worker	10	11.7
Clerk	27	31.7
Total	85	100

Despite the variations in the ages and educational levels of the sample, and the nationalities of the island inhabitants, most of them have jobs and are economically secure. The occupations of the sample, as shown in table No. 8.3, are numerous; the majority of them due to environmental conditions and the nature of the island, work as agriculturists (18.8%) and fishermen (27.3%). The rest of the percentage sample work as teachers (10.5%), workers (11.7%) and clerks (23.7%).

Table No. 8.4 - Indicates the distribution of the sample according to their income.

Income in Dirhams	Frequencies	Percentage
Less than 1000	5	5.8
From 1000 - 1999	11	12.9
From 2000 - less than 4999	42	49.4
From 5000 - less than 6999	19	22.5
7000 and more	8	9.4
Total	85	100

As already indicated, most of the island inhabitants have jobs, and their incomes seem to be adequate. According to the data shown in table No. 8.4, the income of about 50% of the sample was approximately five thousand dirhams, while only 18.7% earn less than two thousand, 22.5% earn between 5-6 thousand dirhams and 9.4% earn seven thousand dirhams and more. The above constitutes sufficient indication of the fact that the services provided are satisfactory.

Table No. 8.5 - Indicates the distribution of the sample according to the pattern of housing.

Pattern of Housing	Frequencies	Percentage
Ownership	55	64.7
Rent	30	35.3
Total	85	100

Table No. 8.6 -Indicates the distribution of the sample according to the number of rooms.

Number of Rooms	Frequencies	Percentage
3 Rooms	39	45.9
4 Rooms	27	31.8
4 Rooms and more	19	22.3
Total	85	100

Various services are essential for the individuals to meet their needs for housing, education and retirement. The local Oil Company through its Local Relations Department played a crucial role in handling and presenting most of these services efficiently. By interviewing a cross-section of the sample, we have been able to review their opinions about such services. Their responses are shown in different tables. As shown in table No. 8.5, 64.7% indicate that they own their houses (consisting of 3-4 rooms) while 35.3% live in rented houses.

Table No. 8.7 - Indicates the health services evaluation by the sample.

Evaluation	Frequencies	Percentage
Very Good	47	55.3
Good	31	36.4
Poor	7	8.3
Total	85	100

Concerning the health services, most of the sample assured that when they fall sick, they go to the clinic. According to their evaluation, around 55.3% indicate that the performance of the physicians in the clinics is very good, 36.4% assured that it is satisfactory, while only 8.3% indicate that it is poor.

Table No. 8.8 - Indicates the responses of the sample concerning schools.

Responses	Frequencies	Percentage
Yes	75	88.2
No	6	7
Unclear	4	4.8
Total	85	100

If the evaluation of the health services are at variance, the evaluation of educational services however seem to be more positive. According to the data shown in table No. 8.8, most of the sample, (88.2%), indicate their satisfaction about the various schools in the island while a small percentage (7%) indicate their dissatisfaction.

Table No. 8.9 - Indicates the responses of the sample concerning the difficulties of going to Abu Dhabi.

Responses	Frequencies	Percentage
Yes	26	30.6
No	59	69.4
Total	85	100

Table No. 8.10 - Indicates the responses of the sample regarding their spending of spare time.

Responses	Frequencies	Percentage
Go to Club	29	34.1
Stay home	25	29.4
Watch TV	31	36.5

Leisure time needs to be invested positively. It requires the availability of some places of properly equipped recreation centres which may be utilized. We asked the sample where they spend their leisure time and according to the data, shown in table No. 8.10, 34.1% indicated that they go to the club, 29.4% preferred staying at home, while 36.5% indicated that they watch TV.

Table No. 8.11 - Indicates the distribution of the sample by their satisfaction about the club.

Responses	Frequencies	Percentage
Yes	61	71.7
No	24	28.3
Total	85	100

Most of the sample (71.7%) indicated that the clubs are well-equipped and that they are satisfied with the services offered, while a percentage of 28.3% expressed their dissatisfaction.

Table No. 8.12 - Indicates the responses of the sample concerning the services in the Island.

Responses	Frequencies	Percentage
Yes	46	54.1
No	39	45.9
Total	85	100

Table No. 8.13 - Indicates the responses of the sample concerning the satisfaction about some services (Water and Electricity).

Responses	Frequencies	Percentage
Yes	83	97.6
No	2	2.4
Total	85	100

Water and electricity are vital necessities for every house, and inadequate or irregular supplies can cause serious trouble. But the responses of the sample indicate that they have not faced any problem related to either water or electricity. As shown in table No. 8.13, 97.6 of the sample pointed out that they are satisfied with the services of both water and electricity while only a percentage of 2.3% indicated their dissatisfaction.

Table No. 8.14 - Indicates the responses of the sample concerning the number of mosques.

Responses	Frequencies	Percentage
Yes	78	91.7
No	7	8.3
Total	85	100

Performing religious rituals, mainly prayers, require availability of mosques in the community and close to the houses. Besides, the attendance of the preachers and performing the prayers with the group enhance the solidarity among the persons in the community. The responses of the sample (91.7%), as shown in table No. 8.14, indicated that they are satisfied with the religious services, mainly the mosques, while only 8.3% indicated that they are not satisfied with these services.

Table No. 8.15 - Indicates the distribution of the sample by their awareness of the local Oil Company.

Responses	Frequencies	Percentage
Yes	64	75.3
No	21	24.7
Total	85	100

Since most of the services in the Island and other facilities are provided by the local Oil Company, we asked the sample if they are aware of this fact. Their answers, as shown in table No. 8.15, indicated that 75.3% realized this well while 24.7% were not aware of it. Our explanation is that most of those who are not aware are non-citizens and they are not interested to know about this.

Table No. 8.16 - Indicates the distribution of the sample by the problems they face.

Problems	Frequencies	Percentage
Health Clinic	5	5.8
Shortage in School and Teacher	3	3.6
Non availability of hospitals	-	-
Transport difficulties	22	25.9
Scarcity of Clubs	11	12.9
Scarcity of Income	11	12.9
Unclear	33	38.9

Despite the positive responses of the sample concerning the various services in the Island, they do complain about the shortcomings of some services and other problems which they face. According to the data, shown in table No. 8.16, 25.9% complained against difficulties of transportation resulting from delay, while 12.9% complained from scarcity of clubs and the inefficiency of what is available.

9.3 Conclusion

As is evident from the above, the Oil Company's reluctant interest in the development of Delma produced mixed results. There are a number of implications from this effort which seem important to note:

- The ruler, in accordance with tribal and Islamic custom, intervened in the marketplace to insure that the wealth which resulted from the development of offshore petroleum was appropriately (in his view) shared with the residents of Delma Island – residents who had accepted responsibility for the economic sustenance in Abu Dhabi in the days before. The Western, market-oriented capitalists of the Oil Company failed to appreciate the ruler's intent, and engaged in a variety of resistance efforts, attempting as it were, to re-introduce market mechanisms into the relationship. Unsurprisingly, the Oil Company executives lost in the end, and through their fruitless resistance quite probably lost the trust of the Delma island community, and lost an opportunity perhaps to help that community structure its economic development in a way more supportive of Oil Company objectives.

- The public relations professionals of the Oil Company understood the rules of the transaction quite well. They understood that attempts to return the relationship between the company and the Delma Cooperative society to a market-oriented, supply demand one, would ultimately fail. The inability of the public relations professionals to articulate the necessity of structuring the relationship between the company and Delma along lines of cooperation rather than win-lose negotiations, probably reflects the inability of the 'businessmen' of the western oil company to understand the advice they were being given. Finally, the public relations professionals acted publicly, and no doubt privately as well, in opposition to the stated objectives of their own company. Probably in time the management of the oil company realized the wisdom of the defiance of their public relations staff, but presumably also this realization was a painful one – one that took longer and required more effort on the part of all to sink in. The cross-cultural inadequacies and inability of technical oil company management is the reason that this lesson was so difficult to absorb, and it is also why the contribution of the public relations professional was truly 'entrepreneurial' in a cultural sense. In this instance he served his company's interests and his society's interest best by taking enormous risk, and courageously defying the instructions of his superiors.

- The local Oil Company's economic interest in the development of Delma was not dictated by any profit-motive, which is typical of western cultural concepts of industrial organisation. On the contrary, the necessity of reactivating Delma Island by ploughing back the profits generated from oil

revenues was prompted by a genuine concern for the welfare of the Island which in the past served as the economic backbone of the emirate of Abu Dhabi. Furthermore one may think that there is a long term interest in the back of the company's mind and it is not a community relations or it is not because of the rules asked them to do it. This thought is not true, as the company concession area is fixed and could not increase it. Furthermore, the company is not a profit maker, it is only an operator and producer of oil, and the marketing is done by the National Oil Company.

- Particularly insightful readers will by now have noticed similarities between the imperatives of the leaders of the UAE to indirectly fund societal development through an informal tax on the oil company, and the industrial 'offset' programs now in evidence in the UAE and elsewhere. The UAE must use the assets it has to develop all aspects of the society. To be sure, the evidence that foreign oil companies will always prefer to trade cash for oil, and avoid any extra investment in the society. Indeed, foreign oil companies, and often enough their governments as well, view the Gulf merely as the location of 'raw materials.' Gulf governments have learned from their economic relationships of the past thirty years with the West. At this juncture, most large tenders and contracts between the government of the Gulf and the West are won (or lost) in part on the degree to which the specific bid/proposal will advance non-associated societal development goals. In the parlance of the day, the 'offset' is an important part of the competitiveness of the bid. Offset may (and specifically in the UAE has) taken the form of fish farm investment, real

estate development, educational institution development, hospital development, etc. As in so many other areas, in requiring the Oil Company to participate directly in the development of Delma, Sheik Zayed was yet once again ahead of his time.

CHAPTER 10

Linking the Modern and Traditional: The Role of Public Relations

10. Introduction

This concluding chapter of the thesis will, first review the research presented in prior chapters, and then conduct a broad-gauge but appropriately brief assessment of the contribution to the literature this research represents. First, a review of this research effort is appropriate.

10.1 The Literature Review

The 'literature review' which was undertaken took place both in the UK and the Gulf during the period 1994 to 1998. The review provided insight into the cultural differences between 'modern' and 'traditional' cultures and particularly the place of a traditional organization managed and run on the values and attitudes of what was largely westernized managers. In addition, the review gave an added dimension to the study by underpinning what has proved to be a unique organizational experience with the conventional theoretical wisdom as applied to the circumstances of the petroleum industry.

The reader will recall that this inquiry began with a review of the works of sociological and anthropological scholars, particularly Weber, and familiarised the reader with the notion of societal change, how change occurs and the stresses placed upon a society by revolutionary change. Those who have studied and written about societal change and transformation have added greatly to our

appreciation of this process generally, and have also specifically increased our understanding of the important role of technology as an agent or catalyst for change towards the end of the twentieth century. Our review of the works of Weber and others acquainted us with traditional, authoritarian patriarchal/patrimonial societies to modern, highly structured societies. We gained a good, working familiarity with the scope and process of change, and the way that societies approach and process change.

One of the most important and operative aspects of change for this thesis was the conceptual literature which addressed the dynamics of traditionalism. We gained an important understanding of the behavior of the ruling classes within traditional societies which often view change as a threat not only to a way of life, but also in a very personal dimension, as a threat to the continuation of a system that affords privilege and wealth to the ruling class. As we have learned from the case studies, the ruling class can also adapt and find methods which retain much of their ways of life in a modernizing society. Importantly, we also gained a greater appreciation for the inexorability of change and modernisation. Indeed, 'tradition' is also impacted by change, and in the final analysis, Gulf societies are unable to avoid modernisation.

Our literature review also addressed organisation theory. The author noted the work of several classic and current organisational analysts, and paid particular note to the more recent work concerning systems theories as they apply to social science, and open systems theories in particular. Systems theories emphasize that organisations react to and interacted with their environment in important ways. The author went on to discuss the several theories which conceptually describe the

relationship between any organisation and its environment. The reader will note that the case studies prove beyond doubt the importance of the external environment to organisational success. The case studies also note the role of public relations practitioners in managing the critical relationship between the local Oil Company and the several 'publics' which compose its external environment. In this context, it is particularly interesting to note that the last case study, Chapter Nine, described a relationship between the organisation and important publics residing on Delma Island as "two-way symmetrical."

10.2 Restatement of the Aims and Objectives

The discovery of oil within the United Arab Emirates precipitated profound change within the economic, political and social structure of the country, and caused a transformation of its simple and primitive community social structure into a complex, multi-faceted, quickly growing and developing society. The international oil companies which came to UAE established western management structures roughly comparable to the Weberian bureaucratic model, and imposed this system upon the traditional society of the UAE then existing.

The writer has examined a local UAE oil company with a majority Government holding operating within the Emirate of Abu Dhabi, a traditional society. The hypothesis of the study is that the field of Public Relations, as practiced by the local oil company public relations staff, stands on the boundary and mediates between the two cultures and two communities, i.e. the community of the oil company and that of the local society. The general task of the research is to assess and highlight the way in

which the Public Relations Officer functions in specific instances (case studies) to observe the public relations process, and to better understand its function in this instance.

Objectives and Achievements

The author has demonstrated throughout the dissertation the process of social and economic changes which the UAE has witnessed during the last thirty years and through three case-studies the author has identified and showed how the oil industry and public relations have played a major role both in the process of change and in mediating between traditional and modern cultures.

The author has based his thesis on a clear understanding of Weberian theory and demonstrated how this theory can be used as a framework for examining the process of change. However, the author's awareness of the extent to which Weberian analysis is grounded within specific historical context, and the ways in which it needs to be updated have allowed him to use this framework to identify the traditional features of the local community in the Emirates and the modern features of oil companies in general as exemplified by BP and the local Oil Company.

The author has demonstrated the process of change in the general discussion of economic, social and political change in the Emirates, especially in Chapter Four. The theme was taken up again and the precise role of the oil companies have been discussed in the sections dealing with the case studies. The author has demonstrated this in the Delma case study where by the development of the Island has the greatest potential for analysing the impact of the oil industry on a specific

community with in the Emirates. This point was also raised and discussed in the case study about traditional and modern industry in the Fisherman and seismic survey.

The objective to show Public Relations as cultural mediator has been achieved through the three case studies. The chapter on public relations was also supportive. It introduced material which shows the role of public relations and it links the thesis together. The case studies are used to prove this point and allow for an explanation of different dimensions of cultural mediation. For example the first case study deals with the relationship between traditional and modern industry regarding a dispute and seeks to explain why it arose, how it was resolved and what the sociological implications were. The dispute arose with the decision of the local Oil Company to conduct a large-scale seismic survey on offshore land, which was also the traditional territory of the local fishermen. The latter complained that much of their equipment was damaged in the process and demanded compensation by taking recourse to the modern bargaining techniques of the global economy. A crucial role was played by the Public Relations department of the Oil Company to effect a reconciliation between the fishermen and the contractor. Although the Head of Local Relations in this instance was found to uphold the interests of the oil company against that of the community. This case study of the seismic survey demonstrated how the Head of Local Relations had to take decisions according to set rules and regulations based on western cultural concepts of industrial organisation. In consequence, his social relations and cultural values had to be relegated to the background even at the cost

of his social standing in the community. Where as the case study on Delma Island, the opposite trend was more evident.

Different cultural perceptions upon the nature of employment form the subject of the second case study. Lack of understanding of rational-legal practices by local people, and of local culture by members of multinational corporations often resulted in tensions between the two sides. In a modern bureaucratic organisation, employment, career advancement and redundancy or termination of services are based on impersonal factors such as qualifications and performance. In contrast, the traditional societies, an individual owes his status to purely personal relations rather than technical qualifications, and therefore hierarchies within organisation are similarly based on personal relations and usually kinship.

When the Oil Company in Abu Dhabi decided to reduce manpower and selected workers for redundancy from within the local community on the basis of legal-rational criteria, there were angry reactions and a public outcry. The company realised the necessity of operating within the boundaries imposed by traditional authority, and to quell the anxieties of a traditional society. Public relations techniques were used to smooth the process of the dismissals, which often involved taking decisions against the normal interests of the Oil Company, in view of long-term stability.

The third case study about Delma Island, a place of historical significance presents a scenario where the public relations practitioner took up the cause of the community against the interests of the company. The Head of Local Relations on this occasion went against his formal training in the western bureaucratic model and upheld his loyalty more to his society than to the company. The local Oil

Company had entered into agreement with the Delma Co-operative Society for the supply of fresh fish and vehicles to Das Island. Although the contractual obligations were framed in a neutral, impersonal and rationalistic manner typical of a western-style industrial organisation, yet in actual practice, these were overruled on several occasions by the person to person relationship, or by motives of service to community and society that are typical features of a traditional Arab-Islamic society.

The implementation of several development projects in Delma Island by the local Oil Company was not dictated by any profit-motive. It was prompted by a genuine concern for the welfare of the island which in the past had served as the economic backbone of the emirate of Abu Dhabi.

All the three case studies mentioned above have helped to demonstrate the necessity and value of public relations in the sphere of cultural mediation between two very different communities representing the traditional and the modern.

Thus in the end, it transpires that the role of the public relations officer is not confined within the boundaries of the establishment he is attached to, rather it expands to involvement in the society in which the company operates.

In the case of Abu Dhabi, and the United Arab Emirates at large, the study highlights the fact that local societies are steeped in time-honoured cultural and social practices and habits. To integrate a rather western culture (like that of local Oil Company for example) into the local scene, is indeed a challenging task. Hence, mediation between the two cultures becomes important in defining the approaches adapted, and avoiding pitfalls that might backfire and create negative responses.

10.3 Comments of Methodology

The dissertation took about four years to complete since the author started this work in the summer of 1994. To start with, there was a general discussion for the purpose of choosing the appropriate method to study the thesis and different forms of research methodology had been analysed in order to select the best method.

The subject of the thesis has not been studied before and is therefore an original piece of work. Consequently, not much material was available to fall back on. The absence of other researches done in this particular on allied subjects posed another major difficulty, as there were no references which could be utilised as supplementary evidence. These negative points notwithstanding, the availability of documents from the Oil Company in Abu Dhabi, such as policy manuals, procedures and minutes of meetings, annual reports, etc. proved to be valuable source materials for consultation by the author.

The case studies should be regarded as the most valuable section of the thesis, as they depict realistic situations in which the author had been personally involved. The tensions generated by a western type oil industry in confrontation with the traditional social norms of the UAE were well illuminated and examined using the case study method.

Confirming the author's assessment of the continuance of traditional practices by the oil industry of the UAE, the author also had to confront many difficulties such as the blocking of information and data by bureaucratic authorities within the national oil industry. On occasion the personal intervention of the author, or high placed friends of the author, was necessary for the research to proceed. It is at least ironic that the techniques and practices of public relations, as practiced in a

traditional society, were called into use in order to gain access to data. For example, unofficial channels were used to get certain data in the case of Delma Island, censuses and statistical data. Also at the end of the project, it was difficult to find and obtain information from the local Oil Company as the author had left the organisation by then. However, due to his long years of service, and his many friends that he made, was easy to go around some problems.

10.4 Finding

Any modern inquiry into the factors affecting the development of the societies of the Arabian Gulf will address the issue of oil. In our world of today, societies which produce or market this source of energy are clear examples of the extent of change and transformation which oil has stimulated. The discovery of oil in the Gulf influenced the individual as well as the community, and provided the UAE with great potential for growth and development. It also greatly increased the ability of the leadership to provide social welfare services and greater opportunities to all citizens.

The wealth generated by oil in turn enabled, and indeed served as the engine of development throughout the UAE. However, the abrupt introduction of a large modern industrial enterprise into our community has had far-reaching repercussions upon the economic and social life of the inhabitants. The employment of native workers in the oil fields and refineries involved not only their learning modern industrial techniques, but also involved a new acquaintance with Western modes of living. The sudden increase in the revenues was accompanied by the development of public works, modern communications

systems, industrial and agricultural development, and large imports of industrial commodities of all kinds. These economic changes were accompanied by, and to a degree directly caused, social and political transformations.

Social customs with respect to women, the relations between the individual and his tribe and the kinship relationship have and are continuing to undergo profound, revolutionary change. The effect of the growth of a highly developed modern industry on these small Emirates, which were neither culturally nor administratively prepared for it, created problems in many fields. Since the approach to these problems, their solution, and the general development of the individual Emirates has differed from place to place for various reasons. It may be useful, therefore, to analyse and draw conclusions in regard to the impact of oil on various aspects of the social development of the UAE. The impact of oil on the Emirates' economic progress, modernisation, Westernisation, development of administration and education accompanied by the creation of the new bureaucratic elite, and the socio-political evolution are factors that have been undertaken in this thesis. This thesis in particular sought to examine the role of the public relations professional in mitigating the social upheaval associated with this change.

10.5 The Public Relations Role

As this thesis has established, in the oil industry, and in particular, within the oil industry of the Arabian Gulf, public relations practitioners play a dual role, that of integrating the culture of the Oil Company

(with its western background), into the culture of the local community, and vice versa. The aim in the end is to formulate a solid liaison based on understanding, mutual participation, cooperation and long-term relations. This study examines this subject matter, delving as necessary into the cultures and practices of the Oil Company, and learning a great deal about the functions and purposes of the public relations staff.

The data available from the case studies and the descriptive analysis of the public relations functions of western organizations located in the west compared and contrasted with western organizations located in the Arabian Gulf both support the thesis of the cultural entrepreneur. The operation of a business, particularly a very large and important business organized according to western management principles, within the traditional society of the Arabian Gulf requires a public relations staff with unique qualifications, and a non-traditional approach, an entrepreneurial approach, to problem solving.

The Public relations literature introduced to the reader in Chapter Two identified four broad models or strategies which Public Relations practitioners may use in respect of their environment. The reader will recall:

- *The Press Agentry Model.* This is the model best associated with the notion of control. It employs the techniques of deliberate manipulation and propaganda by the organisation in an attempt to change the views of the relevant publics.

- *The Public Information Model.* In this model the PR function is simply to relay information from the organisation to the environment. This function is still closer to control rather than adaption as the information provided is

likely to be selective and the organisation is not expected to change its behaviour.

The press agentry and public information models are correctly described in the literature as asymmetrical techniques, as the practice is all directed in a single direction from the organisation towards the environment. These techniques are, therefore, more likely to be employed by relatively mechanical organisations within relatively static environments.

- *One-way Symmetrical.* In this model the organisation attempts to survey and inform itself about the characteristics of its environment but is not expected to alter its fundamental operational goals.

- *Two-way Symmetrical.* This is the form of public relations practice favoured by the literature. It can be described as a process of adaption where by the motivations of the practitioner are in getting the organisation to respond to its environment and re-direct its goals if necessary towards overall social goals.

These techniques are more likely to be employed by organic organisations within relatively complex and changing environments.

The reader will recall however that the two-way symmetrical model was criticized as both unrealistic and indeed altruistic. The criticisms seemed to question if any organization would support a public relations entity which pursued symmetric goals.

As mentioned in Chapter Two, Van der Meiden (1993) believes that public relations is ultimately related to the engineering of consent by the unilateral

initiative of the sender. "PR therefore must be focused on the winning of trust, understanding, and cooperation ... for the sake of self-interest." (p 10) She also refers to G.R .Miller - "the main opponent of this theory..." (i.e. the symmetrical model) and to Botan and Hazelton (p 9): I think the basic objection is that PR means persuasion and symbolic control of publics/environments in order to support organisational ends. "This means", v.d. Meiden writes, "that in using the term 'symmetric,' the undesirable connotation of neutrality will be evoked," giving the impression that an organisation may "afford itself the luxury of disconnecting its communicative activities from its immediate or remote interests." (p 9) Also, Krakow and Pavlov (Grunig & White, 1992, p 47) both have criticised in their respective studies the symmetrical model for being unrealistic - at least in the US, thinks Rakow - as organisations have more power than publics and therefore are unlikely to go for symmetry in public relations. Mallinson noted that the two-way symmetrical model probably would work better in the European cultures than in the USA due to the higher degree of egalitarianism in Europe. (Grunig & White, 1992, p 47)

This thesis suggests that within the Arabian Gulf, public relations professionals not only engage in two-way symmetrical communication, they occasionally do so without the consent of their parent organization as documented in this study.

10.6 Implications

Because this thesis examines the wrenching social upheaval in the Arabian Gulf following the introduction of the modern oil extraction organisation, it will

add to the body of knowledge and literature concerning this specific issue. Modern oil companies are decidedly Western in process and organisational culture. From the literature reviewed in the earlier chapters we would expect that the societal adjustments to the insertion of an oil industry into a traditional society would be characterised by continuous friction, and perhaps episodically by great friction and social unrest.

As a consequence of such rapid and pervasive social change, we in and of the Gulf have entered into what in all probability will be a prolonged period of instability. The asymmetry between old and new states, old values, systems, and behaviors, and a demand for new but as yet ill-defined values, systems, and behaviors will continue. The near future will likely continue to witness:

- Intense competition between parties who perceive a momentary opportunity to achieve a sustainable competitive advantage over others, be they segments of society, businesses or governments.

- The continued splintering of society into special-interest groups acting to defend their established positions, values, systems and those opposing the status quo.

- Concerted efforts by some to halt and then roll back the technological developments that brought about destabilization in the first instance; and profound frustration on the part of individuals, groups, who perceive themselves as relative losers in the new order, often resulting in desperate and perhaps at times violent response.

What does this socio-political dynamic portend for public relations professionals? Among other things it means that issues are going to come in rapid-

fire fashion. They are going to come from non-traditional sources: segments of society, cultures, and competitors that you are unfamiliar with and did not previously count among recognized constituencies or competition. And the issues themselves are going to be more novel and complex than those have previously encountered.

In sum, the job will continue to be exceptionally important and greatly unpredictable. No matter how successful you have been in the past, you are going to have to get even better in the following points:

- To be effective, to add value, and to excel in your profession, you will have to get deeper into the substance of issues; you will have to be truly knowledgeable in an expanded range of issues, and you will have to possess sufficient insight to see through the complexities of issues.

- You will have to take a longer-range view of issues than was previously warranted and have a much clearer and broader sense of long-term goals and positioning. Otherwise, you will find yourselves operating in a purely re-active mode, entangled in a web of inconsistencies and perceived as narrowly focused and of dubious ethics . And, given the speed, power, and ubiquity of modern communications technology, extracting yourself from such a web will become increasingly difficult.

- Because mismatches between old and new states invariantly produce high degrees of uncertainty and perceived risk, to succeed you will have to excel at explaining, ameliorating, guiding and educating- practices that stand in stark contrast to obfuscating, stonewalling, manipulating and disinforming.

- Because your publics are likely to view issues in absolute rather than relative terms, you will have to devise innovative risk communications programs that help people to truly understand and willingly confront the inherent trade-off's that society faces, And because interests will conflict, meaningful and timely resolution of issues will hang on your ability to achieve a high level of public involvement and trust.

- Lastly you will have to resolve, in ways that are meaningful, lasting, and intensely personal, the relative merits of controlled versus freely flowing information. Today, more than ever before, we have the technical means to centrally control information flows. What's more, with a perceived need to redress the societal problems that ensue from the mismatch of old and new states, we have a ready-made set of pressures to exercise authority over the timely dispersion of accurate information.

So long as information is flowing freely, free societies will be well served, old and new states will be brought into congruence sooner and with less conflict. Even if it is information people do not particularly like to hear, at the very least a dialogue will be taking place.

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APPENDICES

Organisational Charts

Seismic Survey

Maps

Questionnaire

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                    ┌─────────────────────┐
                    │  CHIEF EXECUTIVE    │
                    │   C.A. WRIGHT       │
                    └─────────┬───────────┘
                              │        ┌──────────────────┐
                              ├────────│   Secretary      │
                              │        │   D. TAYLOR      │
                              │        └──────────────────┘
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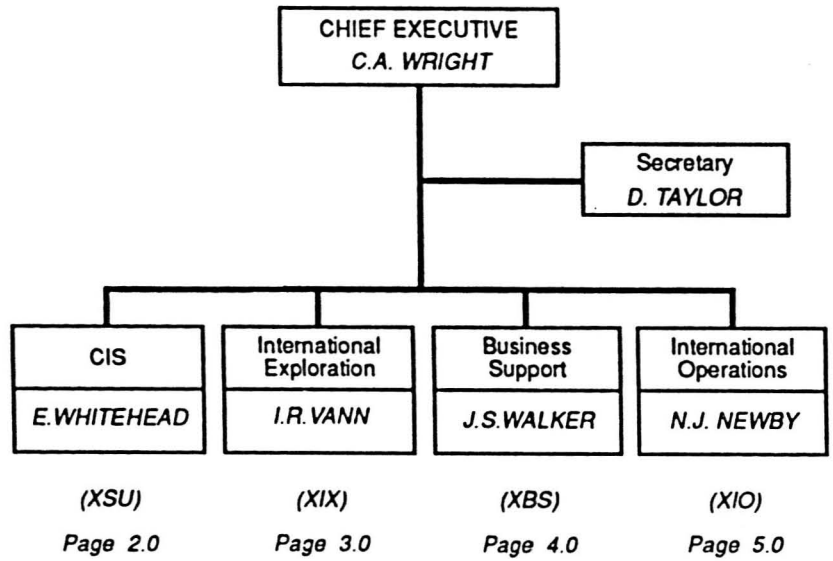
CIS	International Exploration	Business Support	International Operations
E.WHITEHEAD	I.R. VANN	J.S.WALKER	N.J. NEWBY

(XSU)	(XIX)	(XBS)	(XIO)
Page 2.0	Page 3.0	Page 4.0	Page 5.0

XFI Technical Support

Manager
Exploration Operations
Technical Support
R.W. STEPHENSON

Principal Consultant/Survey &
Cartography
P. McCARTNEY

Principal Consultant
Acquisition
I. G. JACK

Accountant
H .RISK

Secretary
B.BROWN

Manager Data Integration	Manager Seismic Quality	Manager Interpretation Support	Manager Survey Operations	Chief Cartographer	Manager Data Services
G. MITCHELL	*K.R.NUNN*	*R.RANDALL*	*R. LOTT*	*K. GREENWOOD*	*M.S.THOMPSON*

Data Integration	Seismic Quality	Interpretation Support	Survey Operations	Chief Cartographer	Data Services
J. BANNON	A. ALLEN	G. ALUVIHARE	T. DRAKE	P. BATEY	S. BROWNE
J. BRADLEY	D. BUDDERY	R. ARCHER	I. MURRAY	R. BENBROOK	D. CALTON
T. McCARTHY (c)	T. DAVIES	A. BENNETTON	D. NASH	R. CROOK	S. CAMERON
	D. ELLIS	T. BEVAN		R. DAVIS	D. CONWAY-HOLLAND
	M. FOSTER	M. BOWMAN		R. DIVER	A. COWBURN
	B. HALL	A. BRAYSHAW		J. GREEN +	D. DALCHOW
	S. LANCASTER	C. CADE		S. PETRIE	R. DAY
	A. LAVEN	S. CAWLEY		K. PYLE +	J. GARDENER
	N. ROSE-INNES	G. FLANAGAN		R. RIDDIOUGH	C. HENDERSON
	G. WARD	S. HALL		S. SHAW	L JACKSON
	R. WEISS	P. HIRST		M. SNOWSILL	R. MARSHALL
	S. WELLS	J. HOSSACK		A. THOMAS	N. MURPHY
	R. WYE	R. JONES		C. UNDERWOOD	P. PEARCE
		T. LANE			J. SAVAGE
		S. LEWIS			P. SMITH
		S. LOWE			R. STEWART
		J. OLIVER			S. SWAIN
		N. PHILLIP			M. TREES
		M. RUTHERFORD			M. WARD
		M. SIMMONS			N. WRIGHT
		S. SMITH			
		T. SOLANKE*			
		C. SWAINE			
		T. VARNEY			
		M. VINCENT			
		R. WILES			
		N. WILSON			
		A. WONDERS			

Seismic Development Team

J. ALDRED
S. PHAREZ
H. SHAH
P. WHITFIELD

Secretary
*W. HALL*

Includes some Contract staff annotated as
Includes some Industrial Students annotated as +

Conducting a 3D seismic survey in a producing field such as Umm Shaif is a complex logistical operation involving many individuals and organisations. Within ADMA the cooperation between Saftey, Marine, Engineering services, Production operations, USSC management, logistics and PDD were essential elements in the planning and acquisition of the Umm Shaif survey.
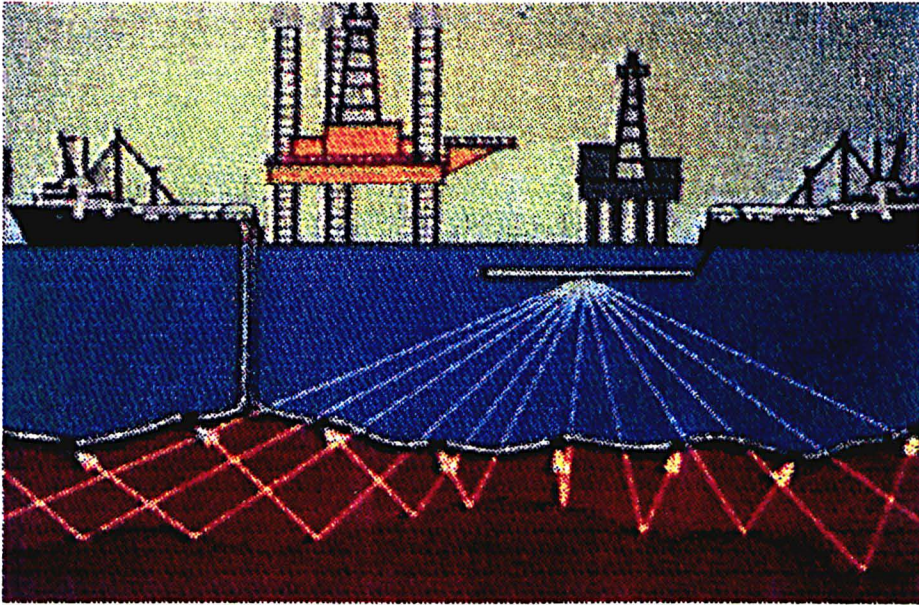

The ocean bottom cable technique was selected for the Umm Shaif 3D survey because it has a number of advantages in shallow water depths and in areas with extensive production infrastructure. The reciever cables are laid out on the seabed rather than towed behind the vessel, this allows data to be recorded from locations very near to and even under production facilities.

Advances in computer technology now allow preliminary onboard processing of seismic. ADMA-OPCO has utilised this on the Umm Shaif survey to review the seismic data during the acquisition and to highlight important factors for the final processing.
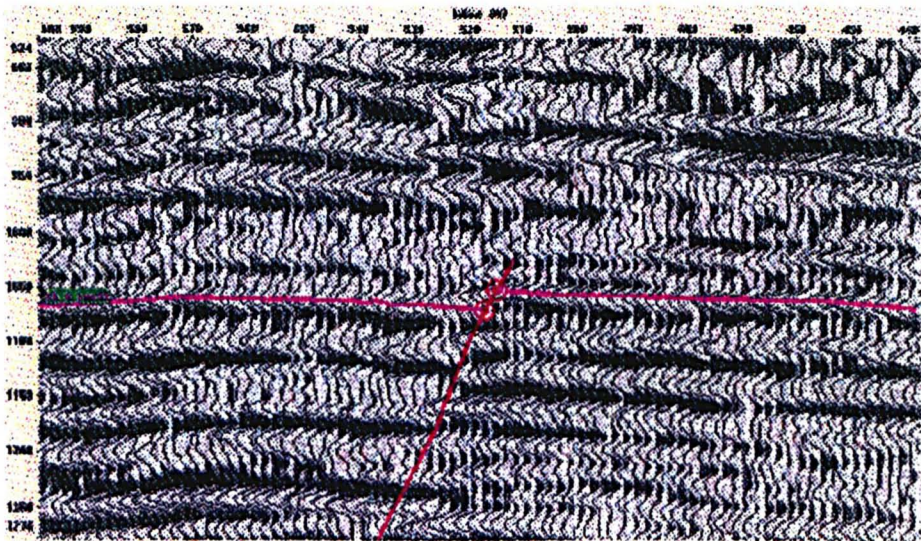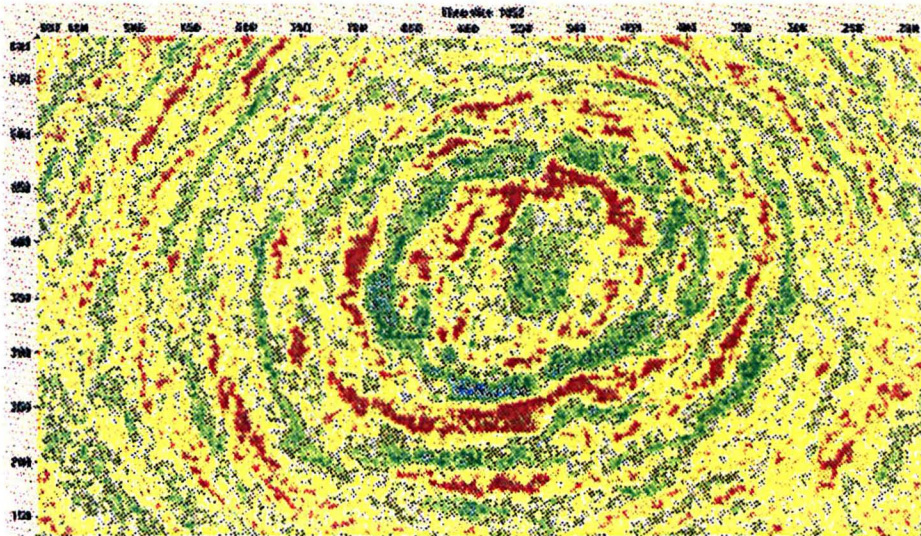
The display shows a timeslice from a portion of the survey and alongside a cross-section through the same area. Even on these preliminary displays faulting can be seen. The objective of the final processing will be to enhance features such as these and to preserve amplitude variations which may be used to make interpretations of reservoir distribution.

Three Dimensional (3D) seismic surveys are used to map the structure of reservoirs and in favourable circumstances provide information on reservoir distribution. The subsurface is sampled approximately every 25m, by contrast wells are typicaly spaced hundreds of metres or even kilometres apart.
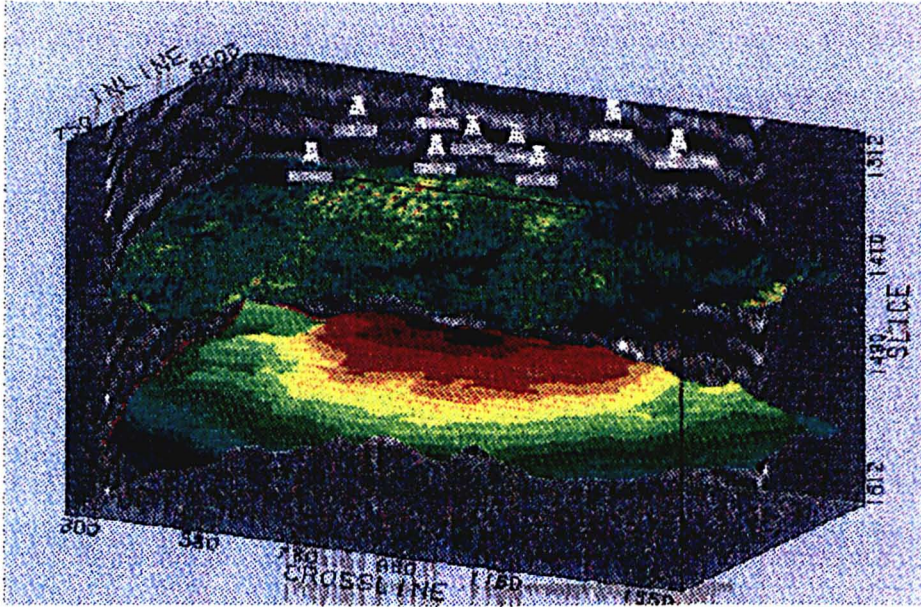

The superior lateral resolution of seismic data is its key strength, however well data has significantly better vertical resolution than seismic data. Geoscientists must therefore integrate well data with seismic data in order to fully describe a reservoir. Interactive workstations are an essential tool in the intepretation and visualisation of this data.

In order to realise the benefits of 3D seismic data the analysis of
the data must integrate the expertise and experience of a number
of specialists. Data and interpretations are exchanged between the
various sub-surface disciplines, geophysics, geology, petrophysics
and reservoir engineering. Computers facilitate an integrated
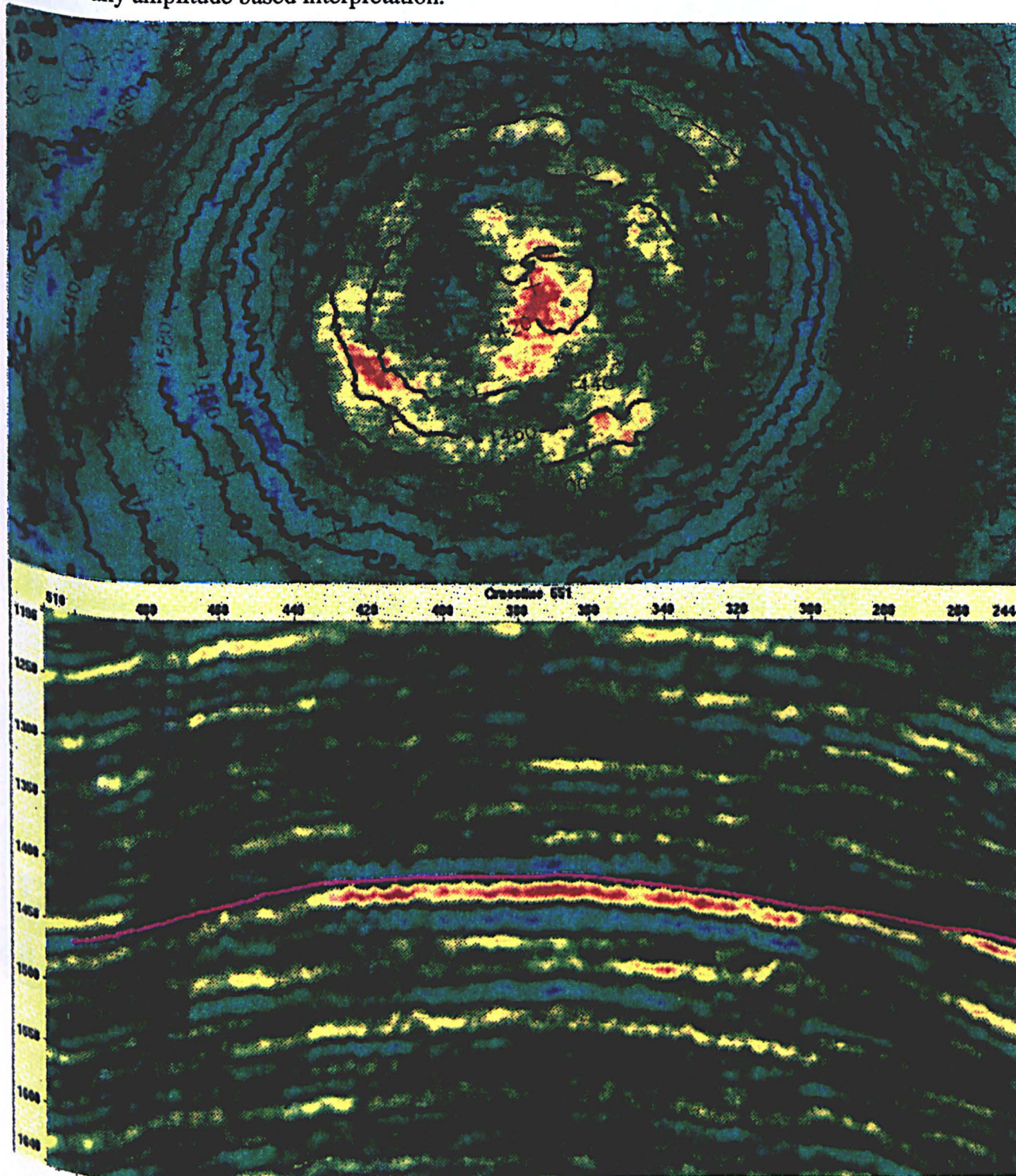approach to these studies.
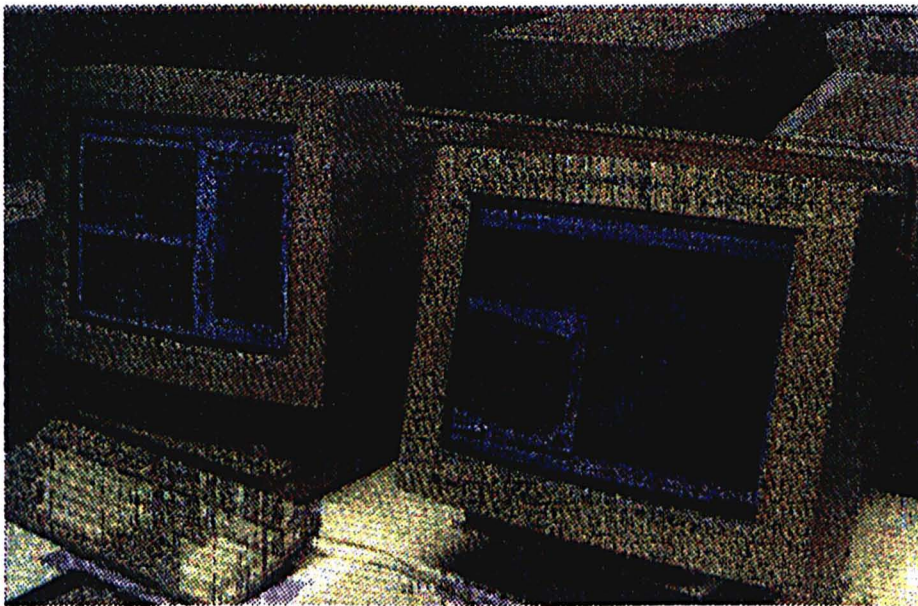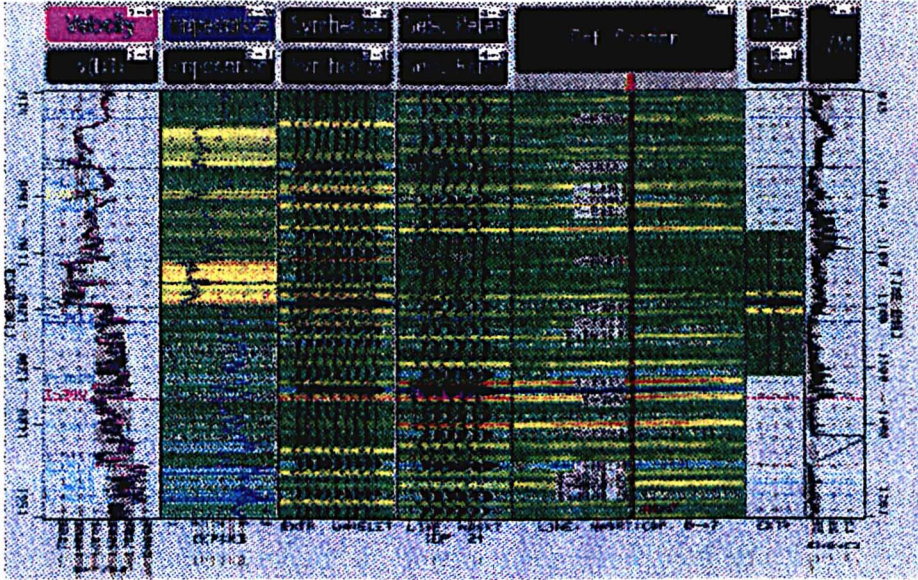
Within ADMA-OPCO the same data or some part of it is used
by different departments. Computer databases such as Finder,
APIA, and Apex allow the storage and retrieval of data in a
central location. Information can be selectively accessed by
individuals for particular projects. On completion of the work the
resulting interpretation can be returned to the database where it
is available for subsequent retrieval.

The selection of well locations is an essential element of development planning and reservoir management. Reservoir and petroleum engineers build complex dynamic models which simulate the behavoir of the reservoir over time. This allows potential well locatons and development strategies to be evaluated.
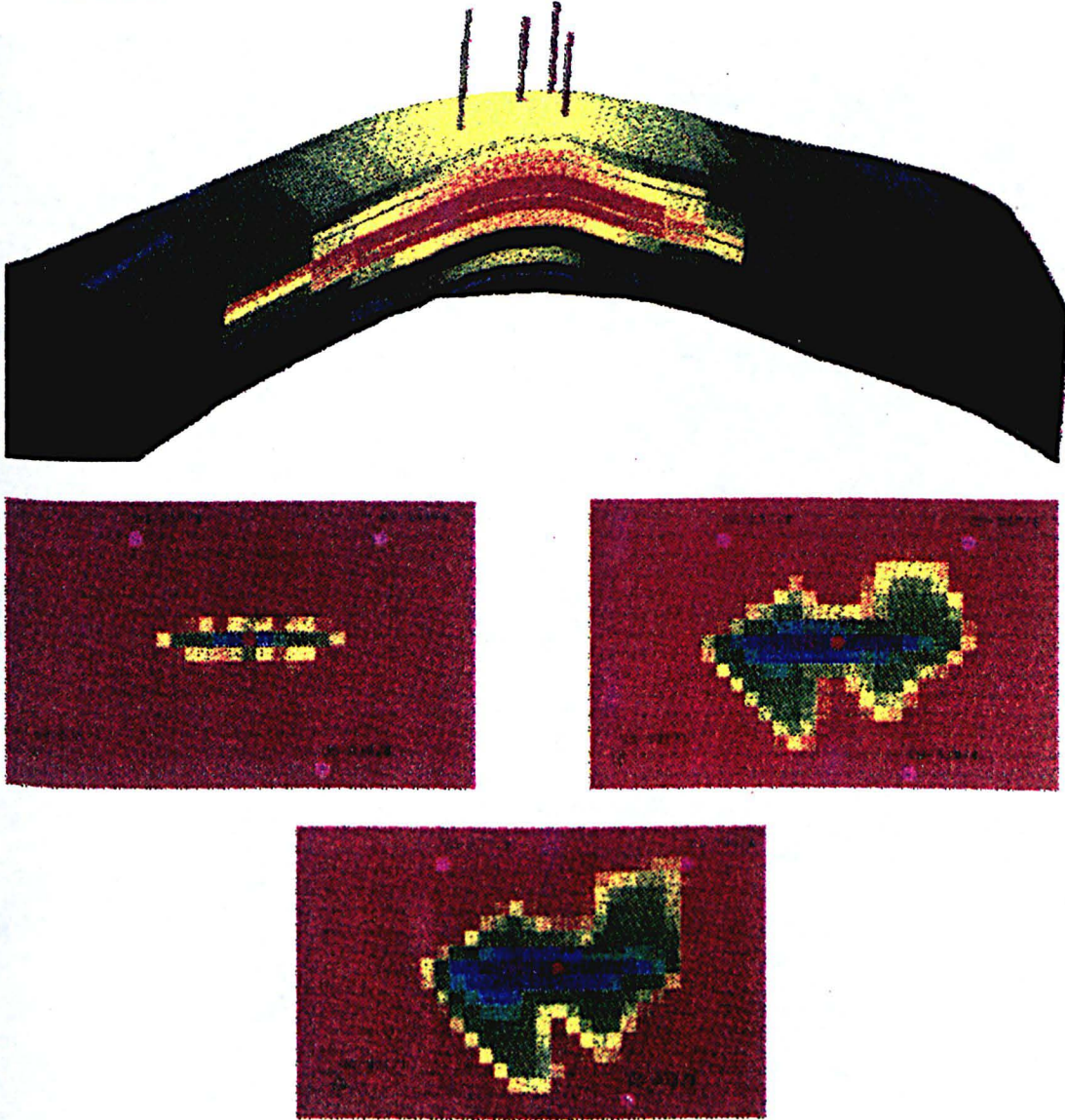
The structural interpretation of 3D seismic data in combination with maps of reservoir characteristics are input to these reservoir simulations. In the case of a producing reservoir, history matching of the production data provides an additional means of validating and refining the reservoir model. The three maps above illustrate the expected hydrocarbon saturation at three different times during production. The layering model which was one of the inputs to the simulation is shown in the upper diagram.
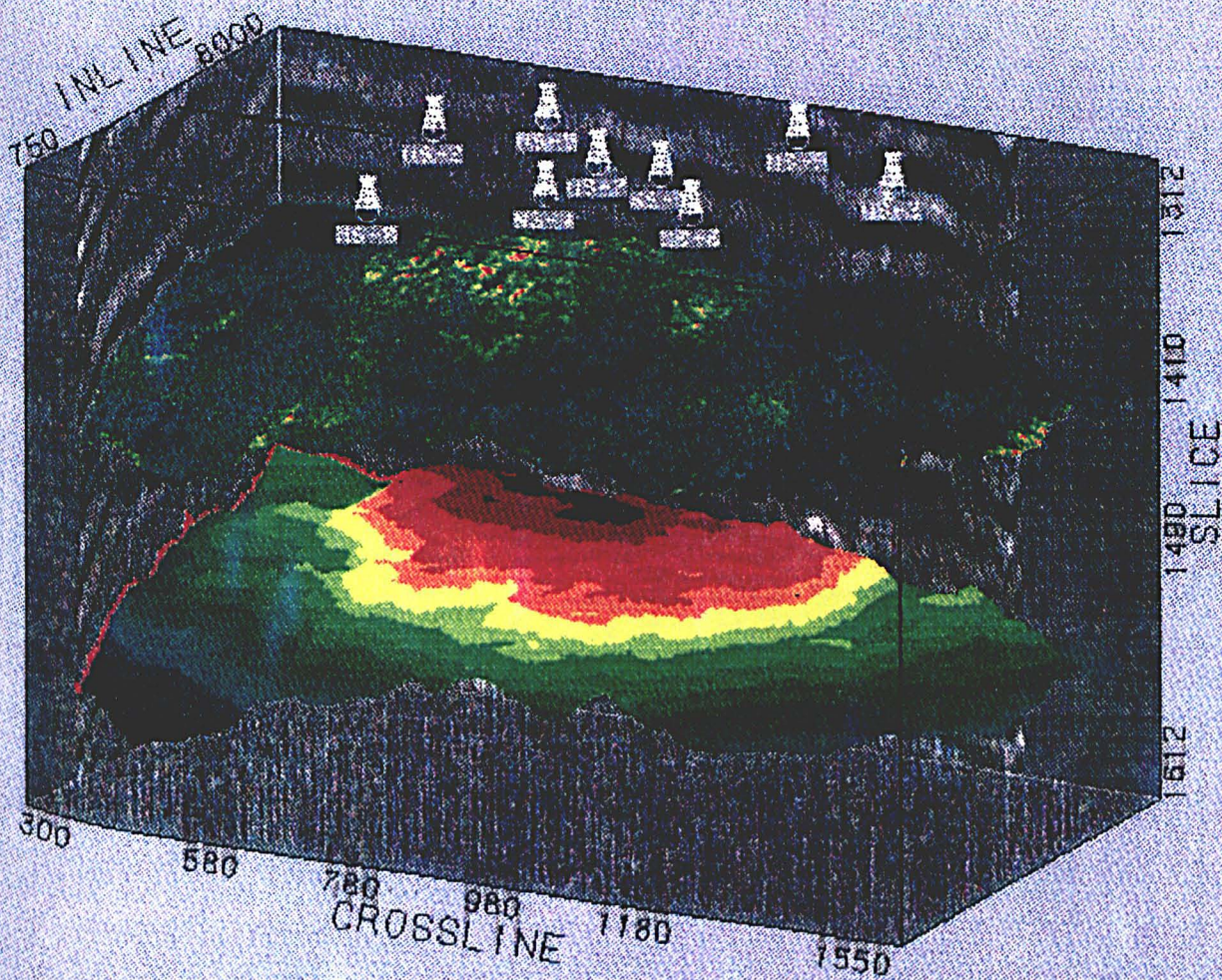
When seismic energy travels through the earth the amount of energy reflected and transmitted varies according to the type of rock and the any fluids within them. If a hydrocarbon reservoir is sufficiently thick and there is enough contrast with the surrounding rocks it may give rise to a seismic amplitude anomaly which can be correlated to some reservoir property such as average porosity or net/gross. Some gas reservoirs give particularly strong amplitude anomalies. This is because the acoustic properties of gas are significantly different from other fluids such as oil or water. Amplitude variations have many origins and may be obscured by noise in the data; for this reason detailed modelling work using well data is undertaken in order to validate any amplitude based interpretation.

The map and seismic section shown above are preliminary data from the US 3D seismic. A seismic amplitude anomaly is clearly seen on the cross-section and in the map view. It is observed that the outline of the anomaly correlates with the gas cap of the Areaj reservoir. The validity of this interpretation will depend on the results of the final seismic processing ,correlation to well data and geophysical modelling studies.
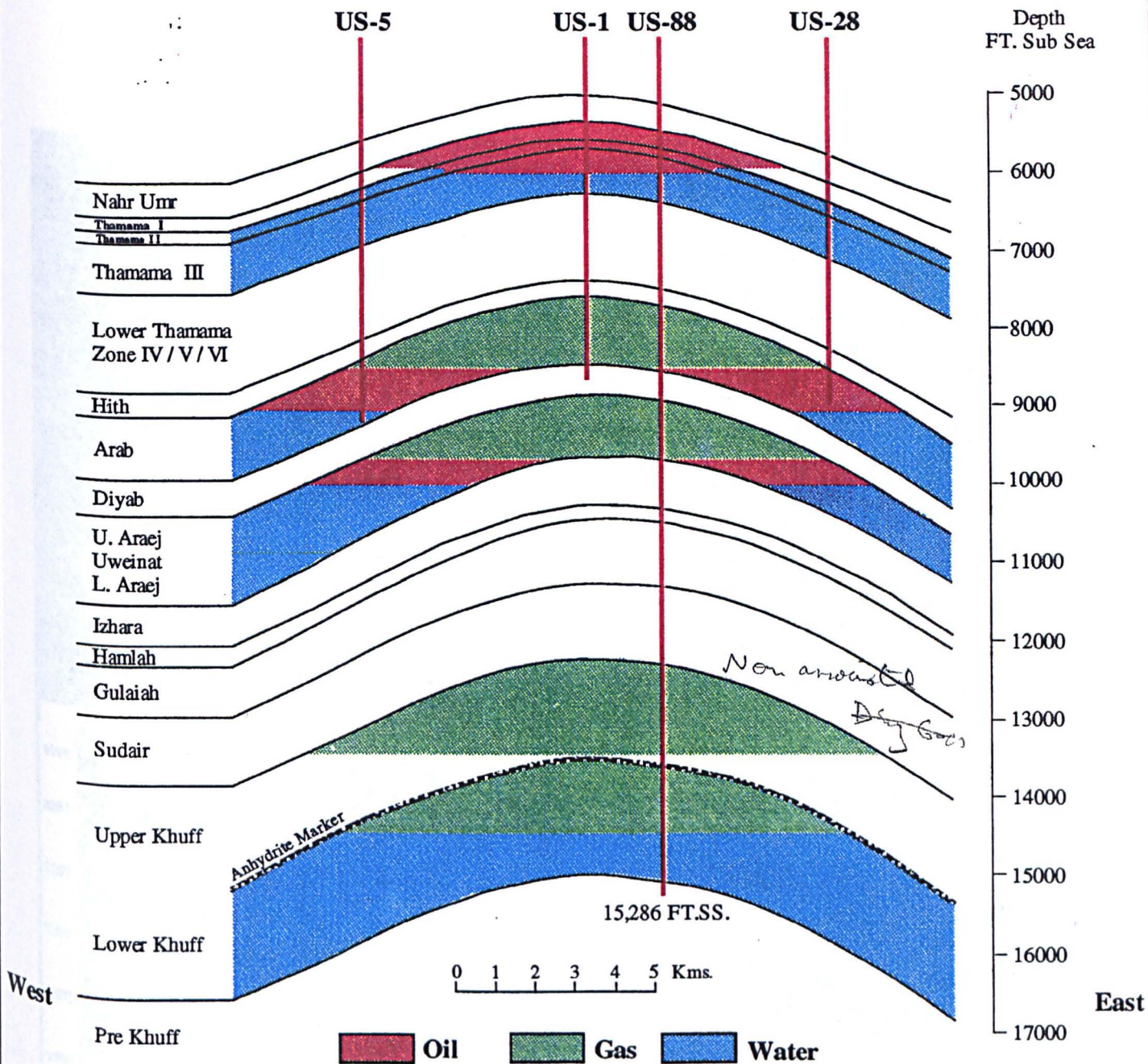
Cross Section of
Umm Shaif Reservoirs

US-5   US-1 US-88   US-28

Depth
FT. Sub Sea

— 5000
— 6000
— 7000
— 8000
— 9000
— 10000
— 11000
— 12000
— 13000
— 14000
— 15000
— 16000
— 17000

Nahr Umr
Thamama I
Thamama II
Thamama III

Lower Thamama
Zone IV / V / VI

Hith

Arab

Diyab

U. Araej
Uweinat
L. Araej

Izhara

Hamlah

Gulaiah

Sudair

Anhydrite Marker

Upper Khuff

Lower Khuff

Pre Khuff

15,286 FT.SS.

Non araeusted
Dry Gas

West

East

0 1 2 3 4 5 Kms.

| Oil | Gas | Water |

The upper Araej is composed of shallow marine deposited limestone. It is overlain by the dense Diyab sediments and underlain by the Uweinat.
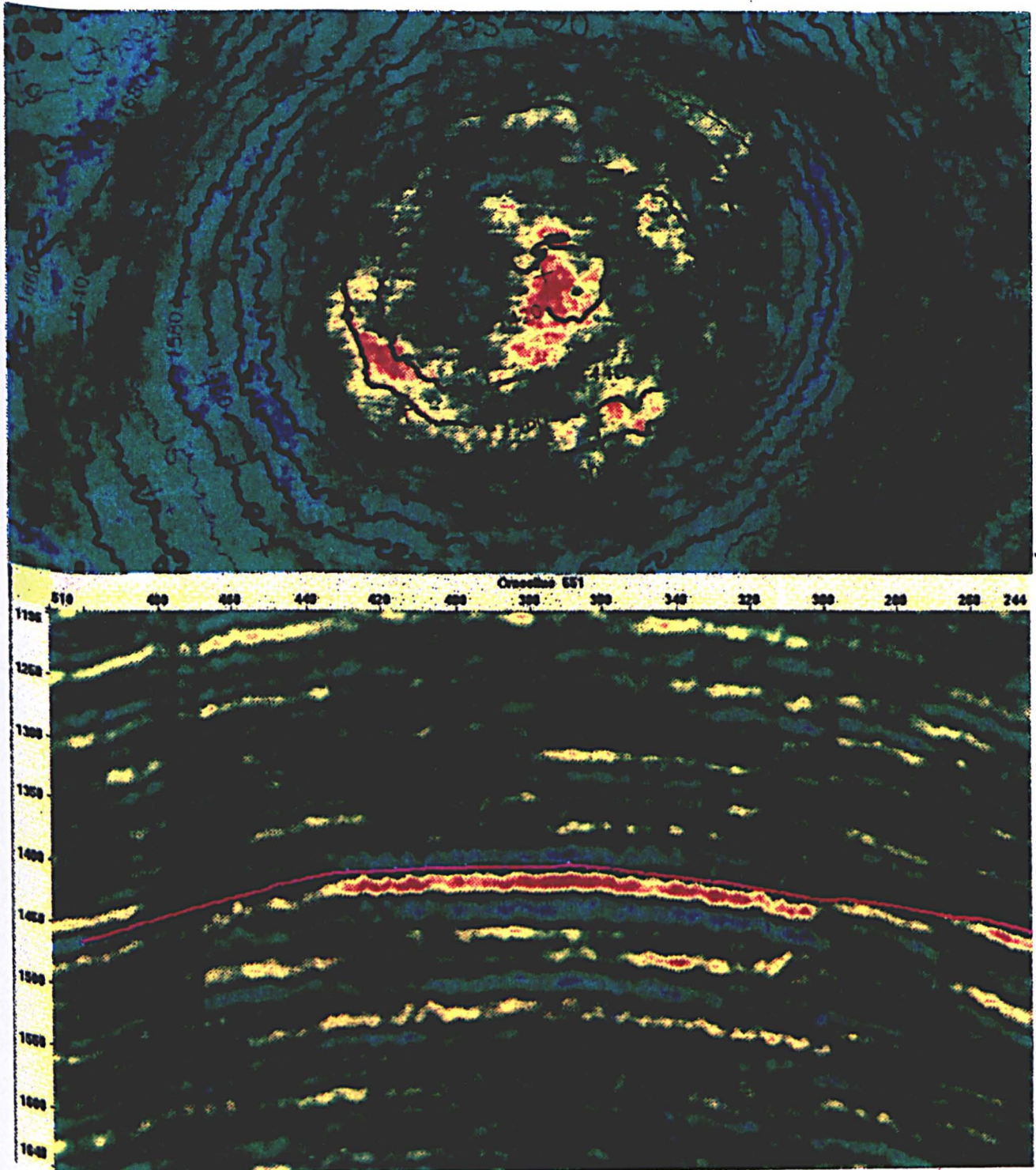The Uweinat is composed of limestone overlain by the tight base of the upper Araej 5 ft stylolitic tight streak.
The lower Araej is overlain by 94 ft of dense carbonate sequence below the base of Uweinat and underlain by Izhara. It is composed predominantly of grainstone with packstones.
The Khuff formation includes upper and lower Khuff units separated by a 50 ft anhydrite barrier. The gross formation thickness is about 2800 ft of dolomite and dolomitic limestone with some anhydrite.

When seismic energy travels through the earth the amount of energy reflected and transmitted varies according to the type of rock and the any fluids within them. If a hydrocarbon reservoir is sufficiently thick and there is enough contrast with the surrounding rocks it may give rise to a seismic amplitude anomaly which can be correlated to some reservoir property such as average porosity or net/gross. Some gas reservoirs give particularly strong amplitude anomalies. This is because the acoustic properties of gas are significantly different from other fluids such as oil or water. Amplitude variations have many origins and may be obscured by noise in the data; for this reason detailed modelling work using well data is undertaken in order to validate any amplitude based interpretation.


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Reservoir Engineers have used a 3D reservoir simulation model to predict the performance of the Umm Shaif Thamama gas injection pilot. This figure show the predicted free gas distribution at the crest of the Thamama reservoir; the gas saturation varying from 0 per cent, shown as red, to 40 per cent, shown as blue.
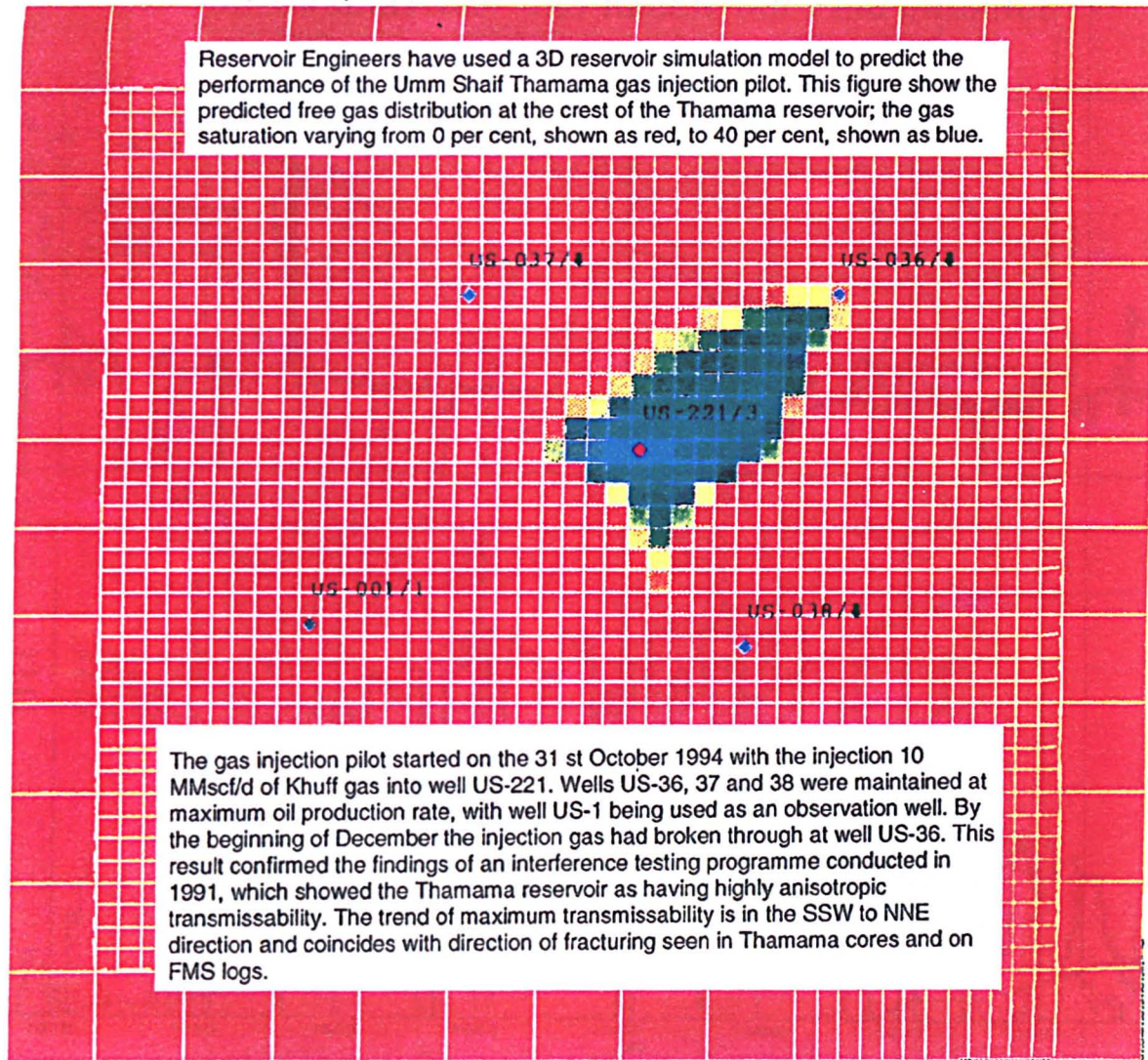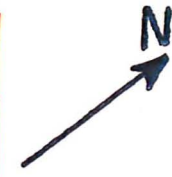
The gas injection pilot started on the 31 st October 1994 with the injection 10 MMscf/d of Khuff gas into well US-221. Wells US-36, 37 and 38 were maintained at maximum oil production rate, with well US-1 being used as an observation well. By the beginning of December the injection gas had broken through at well US-36. This result confirmed the findings of an interference testing programme conducted in 1991, which showed the Thamama reservoir as having highly anisotropic transmissability. The trend of maximum transmissability is in the SSW to NNE direction and coincides with direction of fracturing seen in Thamama cores and on FMS logs.
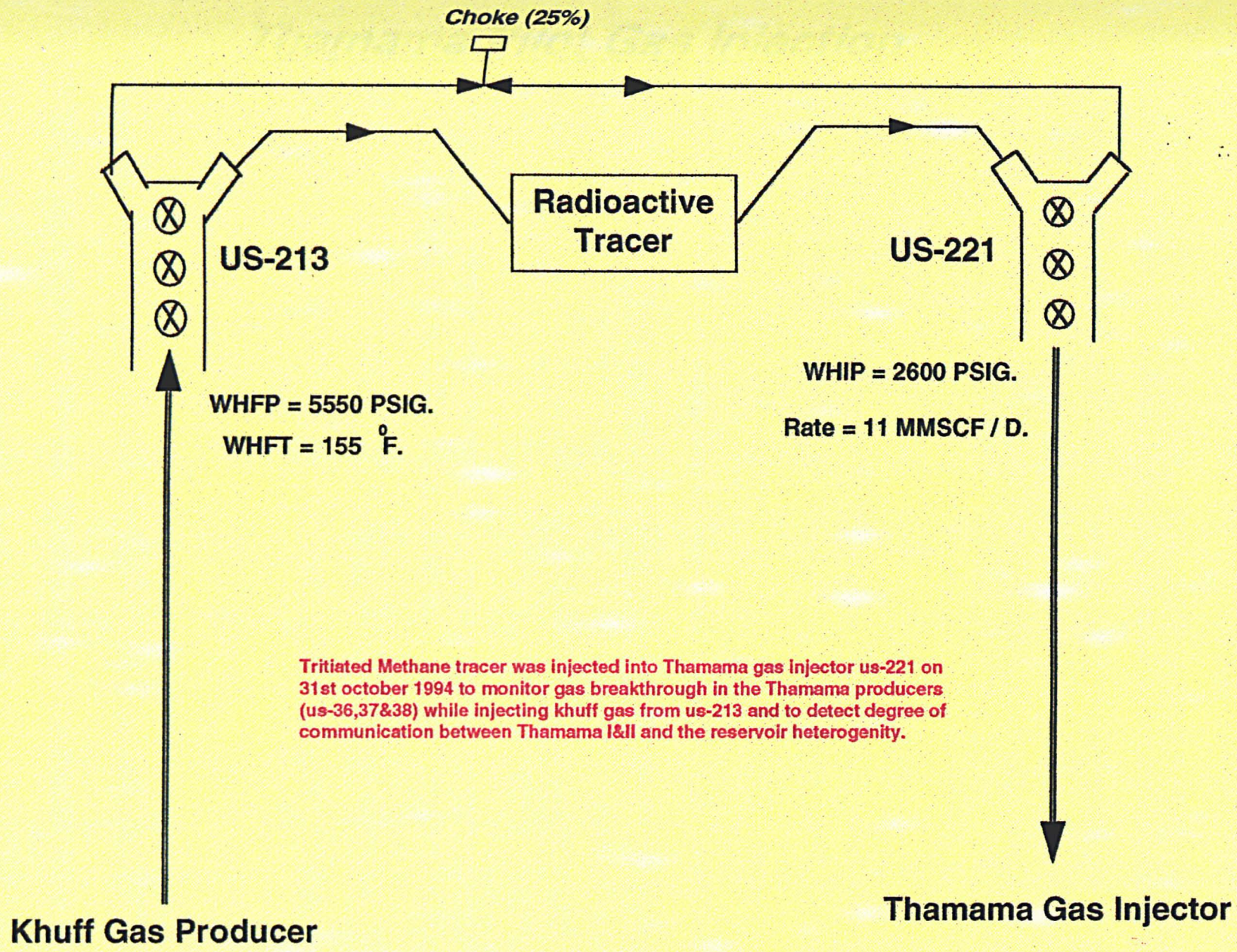
SGAS

| 0.00 | 0.04 | 0.08 | 0.12 | 0.16 | 0.20 | 0.24 | 0.28 | 0.32 | 0.36 | 0.40 |
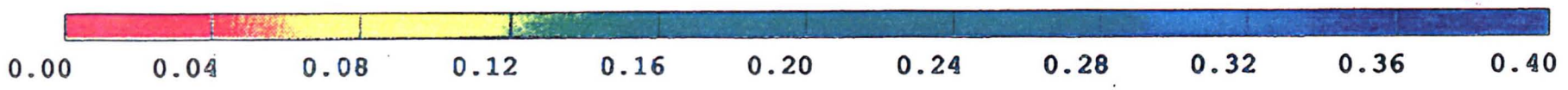
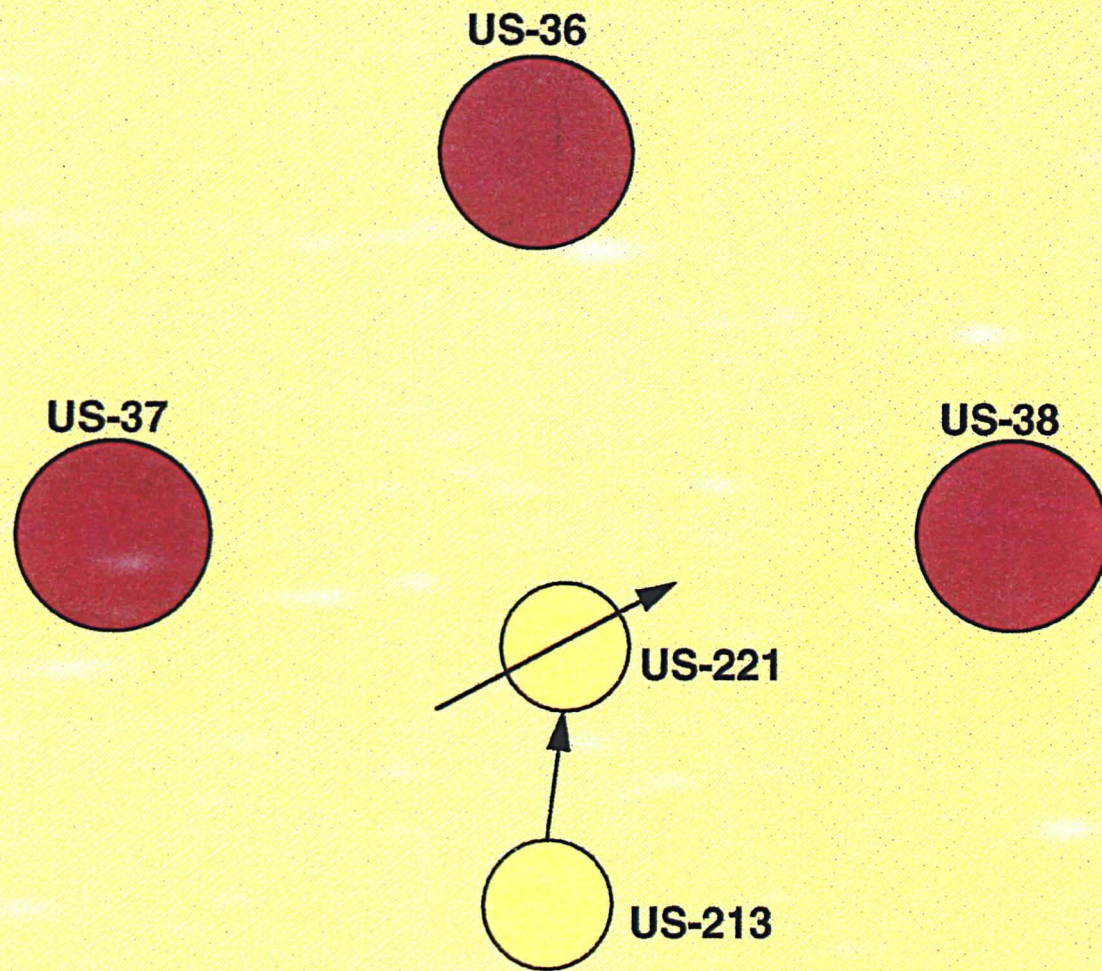# US UWEINAT CAP GAS RESERVOIR PERFORMANCE
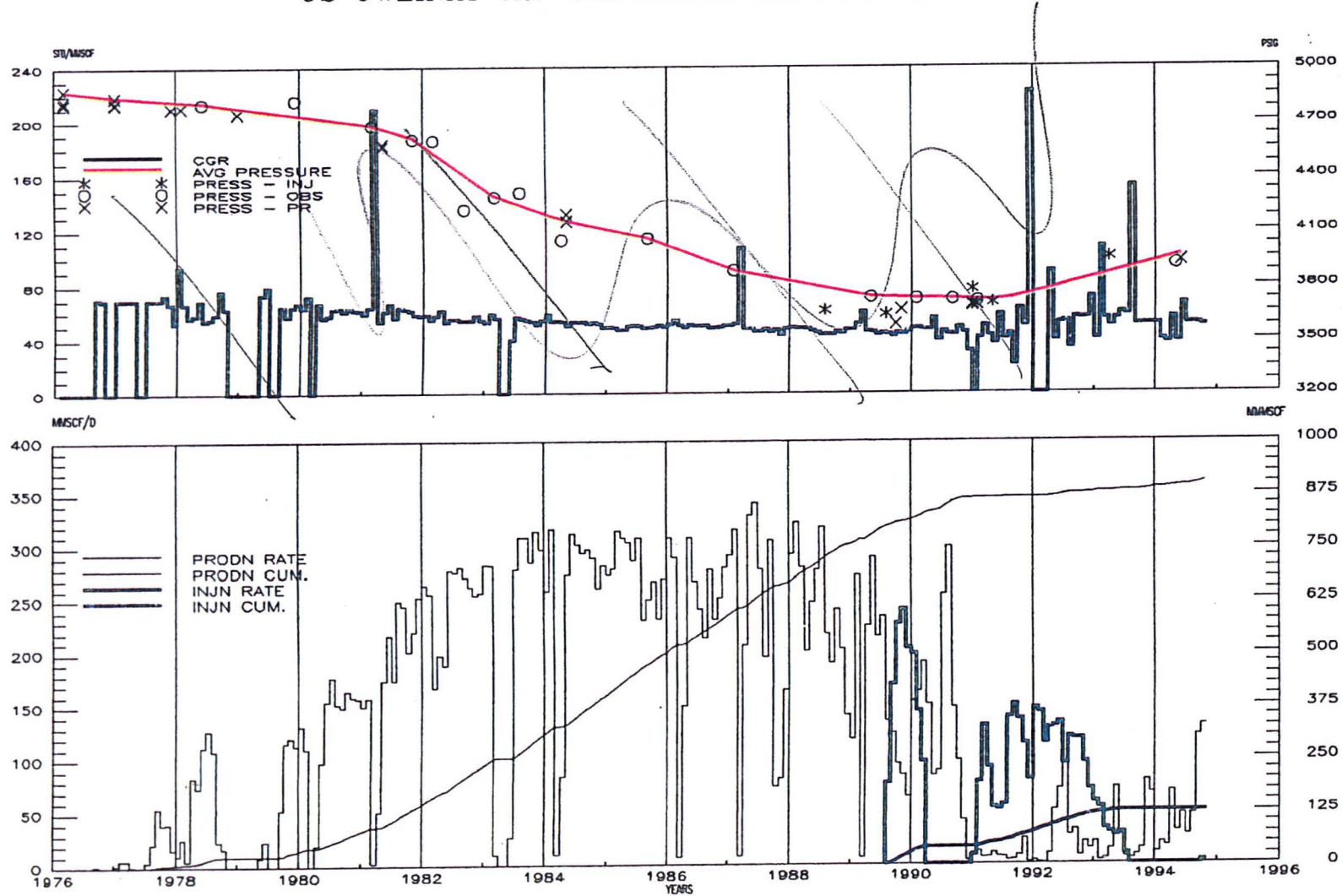
The gas production from Uweinat started in September 1976 through four wells, US-58, US-60, US-61 and US-63. The reservoir pressure dropped from 4785 psig in 1976 to 3628 psig in 1991. Due to the Khuff gas injection started August 1989 into the gas cap combined with low withdrawal levels, the pressure started to increase and reached 3950 psi at mid 1994.

Choke (25%)

Radioactive Tracer

US-213

US-221

WHFP = 5550 PSIG.

WHFT = 155 °F.

WHIP = 2600 PSIG.

Rate = 11 MMSCF / D.

Tritiated Methane tracer was injected into Thamama gas injector us-221 on 31st october 1994 to monitor gas breakthrough in the Thamama producers (us-36,37&38) while injecting khuff gas from us-213 and to detect degree of communication between Thamama I&II and the reservoir heterogenity.

Khuff Gas Producer

Thamama Gas Injector

Thamama Pilot Gas Injection

ADNOC UMM SHAIF GAS DEVELOPMENT PROJECT (PHASE - I)

20 INCH ABKGAS LINE

US218

US226

US-218

UI-4

US-109

US109

US193

US195

US-88

US212

US88

US211

12" TIE IN
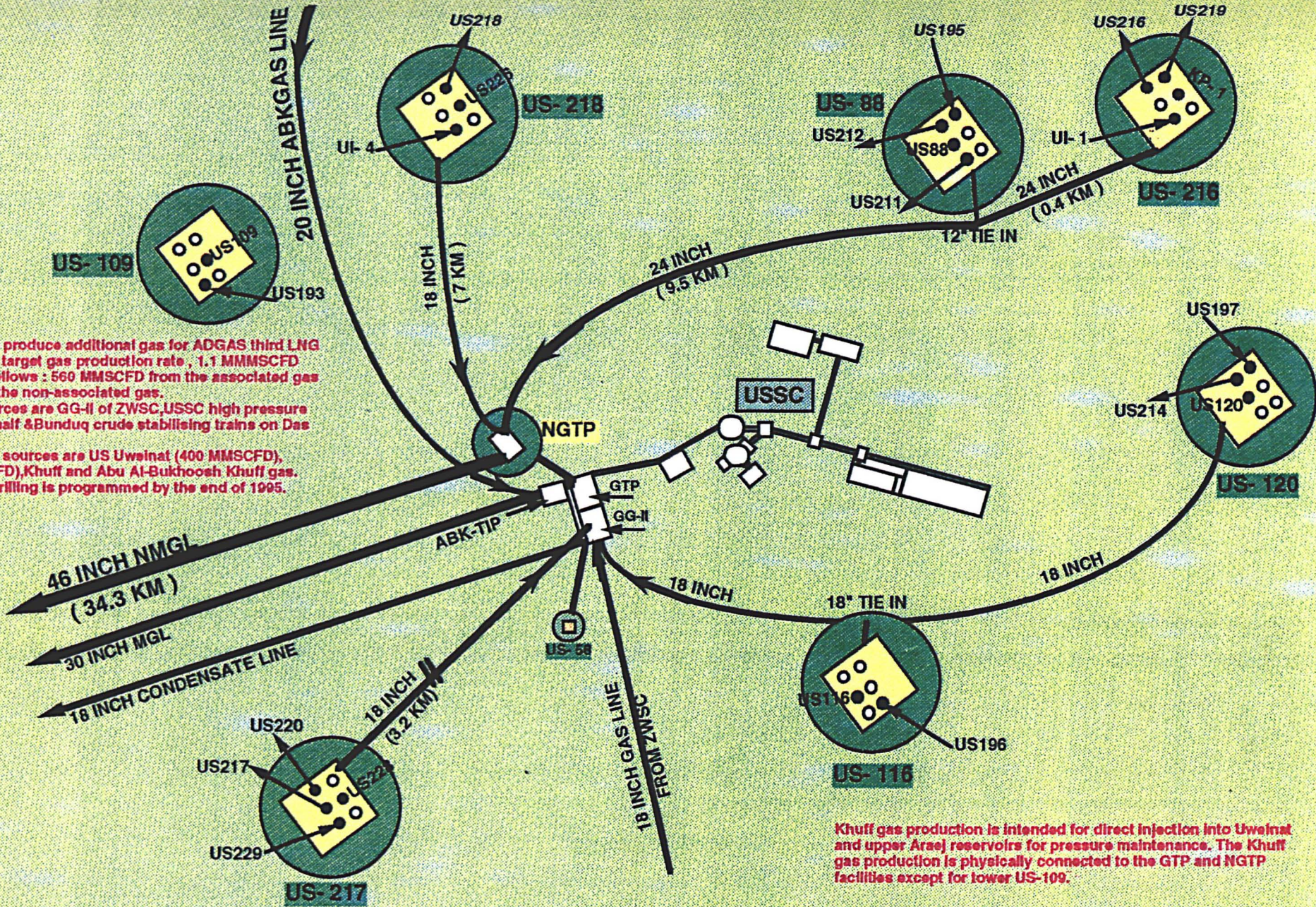
US216

US219

KP-1

UI-1

24 INCH
(0.4 KM)

US-216

24 INCH
(9.5 KM)

18 INCH
(7 KM)

NGTP

USSC

GTP

GG-II

ABK-TIP

US-58

The main objective is to produce additional gas for ADGAS third LNG
train at DAS island. The target gas production rate , 1.1 MMMSCFD
would be achieved as follows : 560 MMSCFD from the associated gas
and 540 MMSCFD from the non-associated gas.
The associated gas sources are GG-II of ZWSC,USSC high pressure
gas and Zakum/Umm Shaif &Bunduq crude stabilising trains on Das
island.
The non-associated gas sources are US Uweinat (400 MMSCFD),
upper Araej (140 MMSCFD),Khuff and Abu Al-Bukhoosh Khuff gas.
Completion of phase-I drilling is programmed by the end of 1995.

46 INCH NMGL
(34.3 KM)

30 INCH MGL

18 INCH CONDENSATE LINE

TO DAS
ISLAND

US220

US217

US228

18 INCH
(3.2 KM)

US229

US-217

18 INCH GAS LINE
FROM ZWSC

18 INCH

18" TIE IN

US116

US196

US-116

US197

US214

US120

US-120

18 INCH

Khuff gas production is intended for direct injection into Uweinat
and upper Araej reservoirs for pressure maintenance. The Khuff
gas production is physically connected to the GTP and NGTP
facilities except for lower US-109.

COMPLETION FOR
KHUFFGAS PRODUCER

COMPLETION FOR
GAS INJECTOR
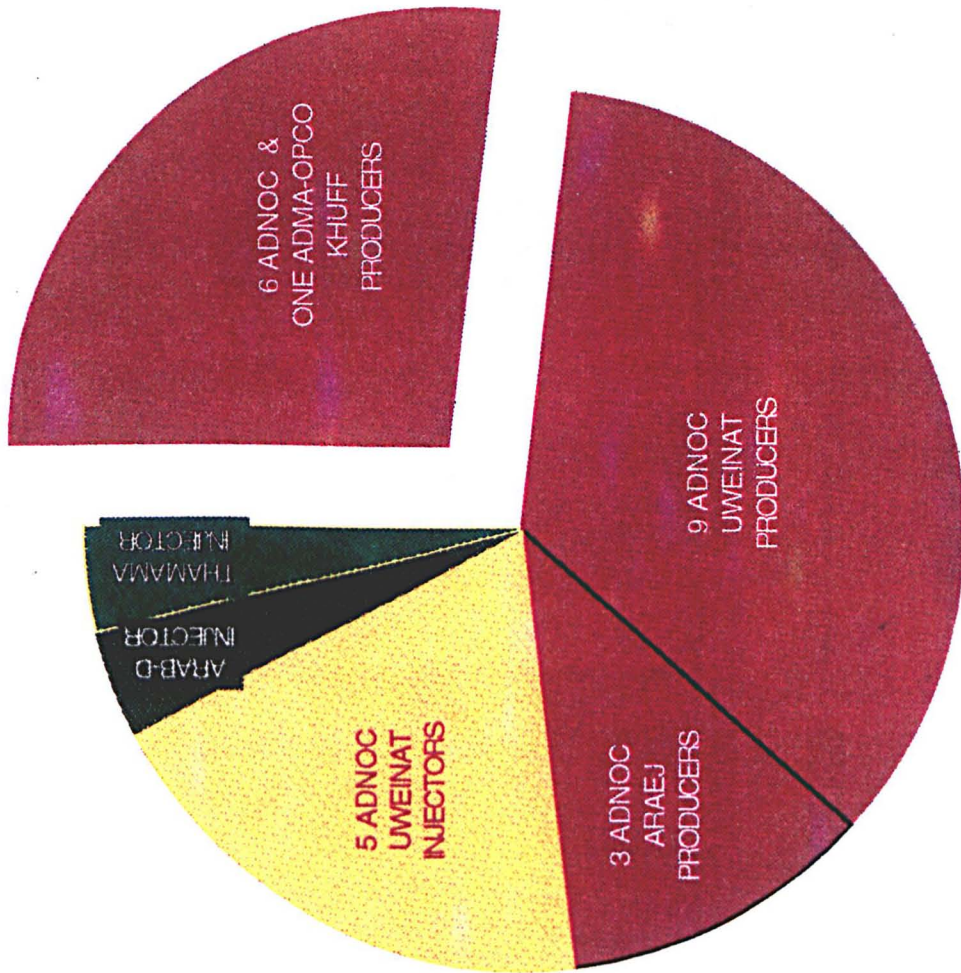
TUBING
HANGER

CONTROL
LINE 1/4"

SAFETY
VALVE

7" LINER
32 LB/FT

7" TUBING
29 LB/FT

4 1/2"
TUBING
12.6 IB/FT
VAM ACE

TOP OF 7"
LINER

4 1/2"
TUBING
12.6 LB/FT

3 1/2"
TUBING
VAM ACE

3.688" F
NIPPLE

9 5/8"
CASING
SHOE

2.81" F
NIPPLE

2.81" F
NIPPLE

3 1/2"
TUBING
VAM ACE

2.75" F
NIPPLE

2.75" F
NIPPLE

7" LINER
SHOE

UMM SHAIF GAS WELLS

Pie chart segments:
- 6 ADNOC & ONE ADMA-OPCO KHUFF PRODUCERS
- 9 ADNOC UWEINAT PRODUCERS
- 3 ADNOC ARAEJ PRODUCERS
- 5 ADNOC UWEINAT INJECTORS
- ARAB-D INJECTOR
- THAMAMA INJECTOR
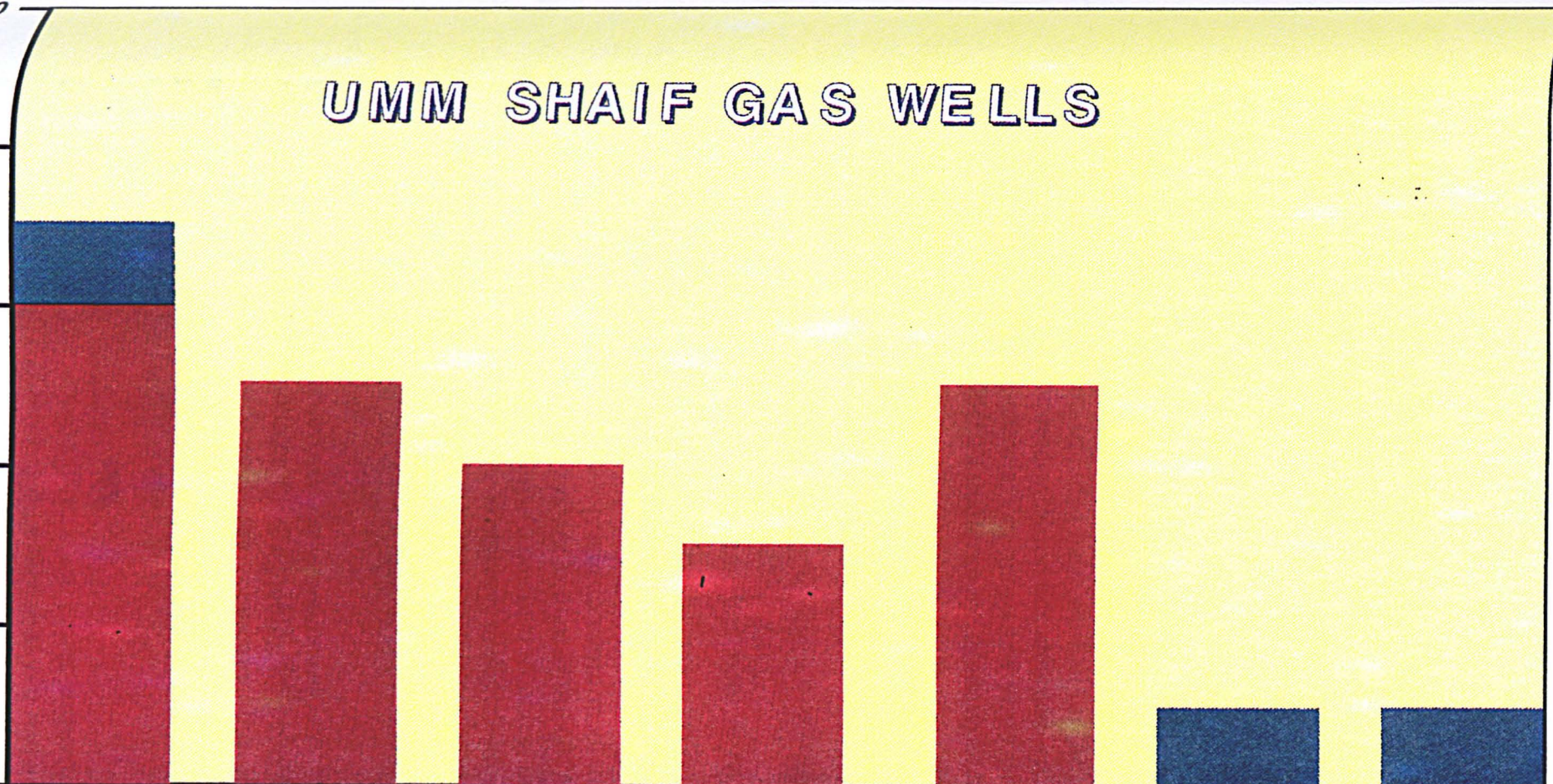
Transcript of the interview

Question : What are the aims and objectives of BP as a company?
PETER BONNOVERE : The aims and objectives of BP are no different to any other company which is quoted on the stock market – the objective is to make a profit – safely. You really need to see our mission statement. That's a difficult question to answer really in one paragraph.

Question : How would you describe your personal relationship towards the company?
PB : I very much feel part of BP- I have worked for the company for 25 years, I enjoy working for the company. But it has changed – it's changed in it's style and in the way that it behaves. I'm only a few years away from retirement so the way that it behaves doesn't matter to me as much as it might to some of the younger employers.

Question : Do you feel any kind of personal loyalty towards the company?
PB: Very much so.

Question : How does BP go about recruiting staff?
PB : Over the last 5-7 years recruiting has been very restricted due to the downsizing which has gone on throughout the company. On the other hand we have been anxious to maintain a flow of able and thinking people so we've had two maintain a flow of able and thinking people so we've had two main areas of recruitment into the company graduate recruitment and school trainees. At this particular site we have a system known as the QUARTZ program where school leaves enter the company to perform technical tasks but can progress, through part time study with the company, to degree level. The recruitment of other skilled people is very much business and needs driven- we tend to use our internal people to deal with most vacancies. At this site, apart from graduates and QUARTZ, we've been out for 2 people in the last 5 years.

Question : what would the criteria for recruitment be?
PB : When we recruit graduates we are looking for people with the potential to rise to senior positions within the company, but recruitment is a very unscientific process, and we know on the back of that process that people will fall out and end up doing jobs at a lower level. However we have that as our basic recruitment target- to recruit our best people through that graduate route.

Question : Does the company use an equal opportunities policy in the recruitment of staff? How does it ensure that you recruit according to equal opportunities?
PB :A mixture of training and providing information for people who are involved in the recruitment process. I always feel that the 'milk-round' is the toughest area in terms of equal opportunities. I know members of staff who I

think have behaved impeccably who have been caught up in discrimination accusations. I think there are some risks with people who've got an agenda, but we don't operate any kind of quota system. I remember running an event a few years ago with chemical engineering students where there were 7 girls and 1 man, and we recruited the man. We try not to distinguish at all, they all compete on equal grounds.

Question : How are wages and salaries determined at different levels of the organisation?
PB :There isn't a BP group salary policy. Some aspects of the package- the share and the pension scheme-are standard across BP, but the salary structure depends on the business and market which we're operating in. Within each grade what we have is a reference salary which is based on market comparisons with other companies of our type. Our reference salary tends to sit within the top band of these companies. This is basically a statement to the employees of the kind of salary you should reach within 5 years of coming into that grade. People will then progress based primarily on performance.

Question : Under what criteria is performance assessed?
PB :HR obviously has a role to play in advising managers so that we achieve fairness across the site for different types of employees. It is primarily about achieving objectives and how those are achieved. In other words someone can meet the objectives of their performance contract as written but do it at the expense of other people. The way in which people behave and work in teams is important, what commitment they show to the company, whether they come up with new ideas. There is a whole range of things but there is no mathematical approach to it. 2 years ago our unionised employees voted away their rights to determine wages and conditions. Because we pay people well particularly for this area- there are few people who sqeal. The people who are going to get less money will know in advance that their performance has been disappointing.

Question ; What would happen if an individual was dissatisfied with their awards?
PB :They would register a greivance. It has never happened in my experience. What we don't have is any automatic link between a performance measure and their pay. There is also a bonus system where individuals agree a performance contract at the start of the year and will receive a bonus proportional to extent to which fulfill their performance targets. A similar system - the business bonus operates for individual parts of the company.

Question : Do you have regular meeting with staff to discuss performance?
PB :There is an annual formal meeting which comes on the back of the appraisal process. There is a second meeting which is not specifically performance related but which is more about the employees personal development within the company. We have tried to separate the performance

part from individual development. Beyond that it is up to individual managers and employees as to whether they carry out reviews during the year.

Question : How are promotion opportunities decided within the company?
PB : Most positions are advertised electronically on a national basis. Some are not. Sometimes we make moves in order to facilitate individual development so we might determine that within the factory there are a number of professional people who need a change and we might put together a chain of moves, with the agreement of the management team. Some people will always be unhappy with that but there is a balance to be struck about being open and formalizing opportunities and being flexible.

There is never an appointment without interviews. At the interview we involve the immediate supervisor and the senior manager of that area. They will consult personal about individuals and invidual's histories. Managers have been trained in these skills, obviously.

Question : What does the organisation regard as misconduct?
PB : The best thing I can do there is to give you a copy of our disciplinary procedure. Clearly safety is an issue at a site like this and individual's found breaking safety rules will face automatic disciplinary procedures. Less serious are technical mistakes related to loss prevention. We have a very tight drugs and alcohol policy. We don't random sample but of there is the slightest suspicion we can require an employer to submit to a drug test. If they fail they are out.

Question : Does the company make a record of misconduct?
PB : We have the normal structure of verbal warning, written warning and final written warning. We don't have fixed lengths of time but at each hearing we do tell employees exactly how long the warning will sit on their record. It can vary from 3 months to up to 2 years.

Question : In the event of a redundancy program how would the organisation single out those to be dismissed?
PB : We go through a ranking process based on a scoring system we don't have last in first out. We have not agreed the policy with the unions- we've told them what it is and its up to individual managers to rank their people. It's a very objective ranking process- if you follow the rules then you should come up with a fair result. There is an appeals procedure in operation. If someone is selected they can appeal to a senior manager who is independent of the rankings process.

Question : What were the aims and objectives of the recent re-organisation under 'project 1990'?

PB :To change the culture of the company.I think we were a paternalistic, centrally driven, 'jobs for life', kind of organisation.

There was a clear recognition of the need to give individuals a much bigger say in the way in which they do their jobs and the way in which the company operates. You can mock all the classical jargon about 'empowerment' and 'teams' but the company did see the need to move down that road towards greater personal development and career development and to facilitate that we had to ensure that managers were competent to help that process to work.

Question : Has ' project 1990' had an effect in changing the culture of the organisation?

PB :I think it has. My concern is that I sometimes think that the senior management of the company is so focused on business success and keeping the city happy that they pay lip service to their employees how they behave towards them. Part of the idea behind 'project 1990' was to say that 'we value the people who work for us', when the chips are down that isn't always very apparent. At the very senior level they can distance themselves from closure programs and just do the sums. As for this notion of the integration of family and work values there is a lot spoken about it and they're grand words but I just wonder how much they enter into the equation at the bottom line. Constant downsizing leaves employees with an uncomfortable feeling and a different sense of loyalty towards the company.

Question : How does BP interact with other organisations?

PB :It's very strong on external affairs. There are different types of interaction. There is learning from the way that others things for example I'm involved in a learning network with another 18 companies across the UK, none of whom are our competitors. We meet 3 times a year to discuss topics of mutual interest – methods of training, etc. Then there is the community interface. We have a visitor center on the site here and try to encourage links with local schools. We probably have a primary school a week to visit and we have classrooms on the site for them to work in. We also link with universities right across the country and the charity sector.

Question : What is the nature of your involvement with the political process?

PB :We do see our local MPs at least once a year. In London we have an external affairs team permanently talking to Ministers at the highest level, trying to influence the way in which the country is being lead.

There's been a lot of work going on with the Labor party in anticipation of them getting into power. For example there was a lot of concern that they might attempt to impose a training levy- a tax on employers who don't train. We spend a lot of time on training but we don't want the 'red tape' associated with proving it.

QUESTIONNAIRE

1. Name:
   Age:
   Nationality:
   Education:

2. Occupation: Farmer
                      Fisherman
                      Teacher
                      Official
                      Labourer
                      Other

3. Marital Status: Married
                      Single
                      Widow

4. No. of Wives:

5. Monthly Income: less than Dhs 1000/
                      1000-1999Dhs
                      2000-4999Dhs
                      5000-6999Dhs
                      7000Dhs and above

6. Housing: What type of accommodation do you live in?
                      How many rooms?
                                          3 rooms
                                          4 rooms
                                          5 rooms or more

7. What activities do you do after working hours?

8.   Which services are available at the Island?

                                    Schools
                                    Hospitals
                                    Post Office
                                    Civil Defence
                                    Water & Electricity
                                    Telecommunication
                                    Banks
                                    Restaurants

8.   Are you happy with the services available, if not why?

9.   Are you happy with the education system?

10.   Are you happy with the transportation services to and from the Island?

اولا : بعض البيانات الاساسية

- الاسم : _____
- السن : ٨ س _____
- الجنسية : مواطن ( )   غير مواطن (√)
- الحالة التعليمية : امي ( )   يقرأ ويكتب ( )
  متوسط ( )   عالى (√)
  اخرى تذكر: _____

- المهنة :
  مزارع ( )
  صياد ( )
  مدرس (√)
  عامل ( )
  موظف ( )
  اخرى تذكر: _____

- الحالة الاجتماعية :
  متزوج (√)
  اعزب ( )
  ارمل ( )

- عدد الزوجات :
  واحدة (√)   اكثر من واحدة ( )

- الدخل الشهري:
  - اقل من ١٠٠٠ درهم ( )
  - من ١٠٠٠ الى ١٩٩٩ درهم ( )
  - من ٣٠٠٠ الى ٤٩٩٩ درهم ( )
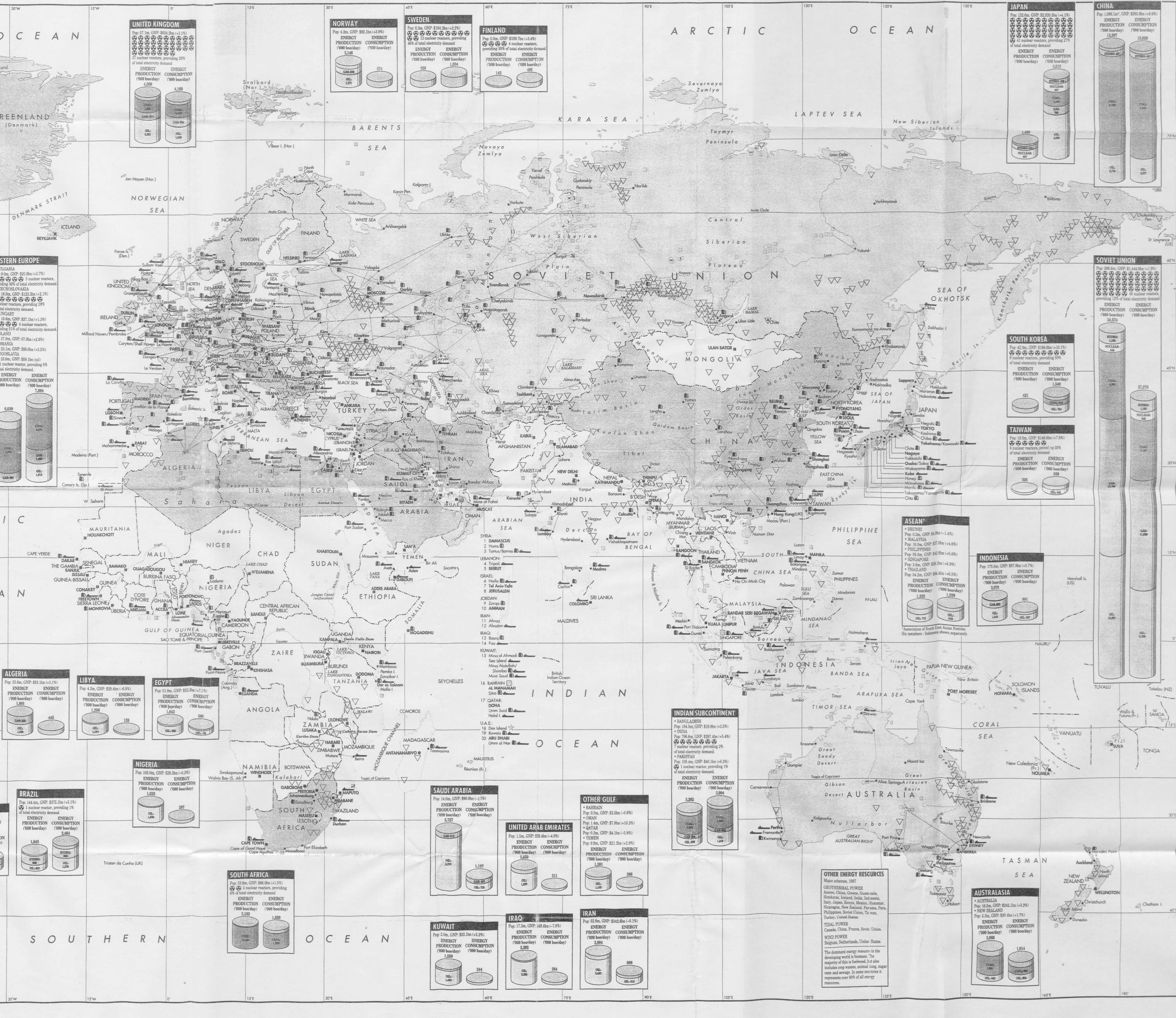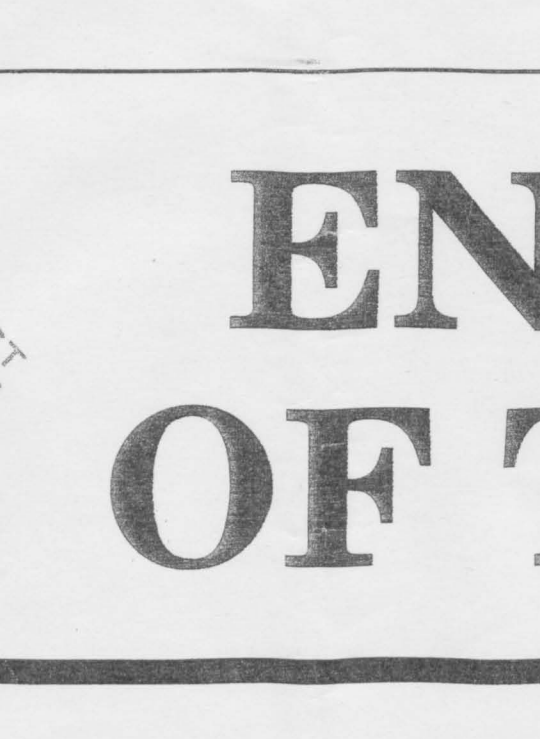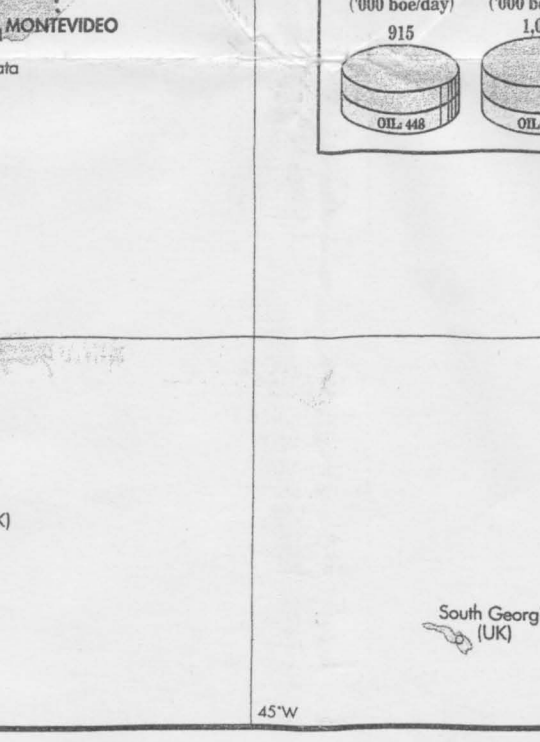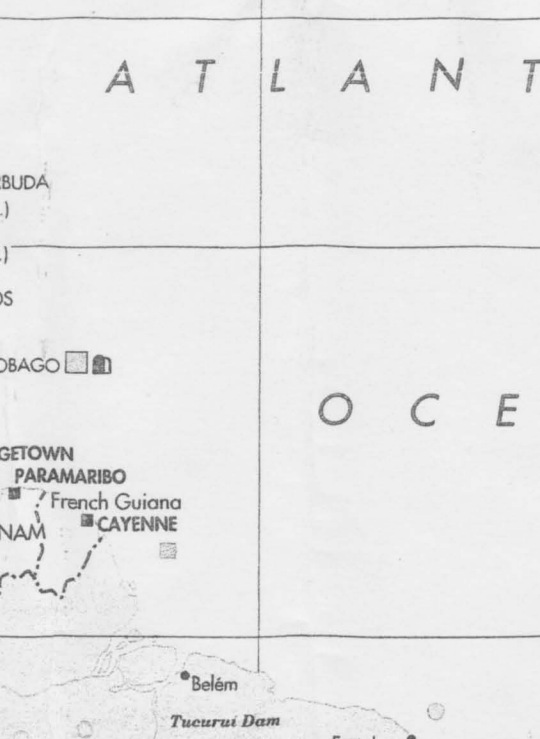 - من ٥٠٠٠ الى ٦٩٩٩ درهم (√)
  - من ٧٠٠٠ درهم فما فوق ( )

ثانياً: بعض البيانات الموضوعية

١ ـ   ما هو نوع السكن الذي تقيم فيه؟   ملك ( ) ايجار (✓)

٢ ـ   كم عدد الغرف الذي يتكون منها المسكن؟
       ـ ٣ غرف   (✓)
       ـ ٤ غرف   ( )
       ـ ٥ غرف فاكثر   ( )

٣ ـ   هل هذا المسكن ملائم لاسرتك؟   نعم (✓) لا ( )

٤ ـ   كم ساعة تعمل يومياً؟   ٩ ساعة

٥ ـ   ماذا تفعل بعد انتهائك من عملك؟
       ـ اجلس فى البيت   ( )
       ـ اذهب للنادي   ( )
       ـ اخرج مع الاصدقاء   (✓)

٦ ـ   اي من الخدمات التالية متوفر فى الجزيرة؟
       ـ مدارس   (✓)
       ـ مستشفيات   (✓)
       ـ مكتب بريد   (✓)
       ـ قسم شرطة   (✓)
       ـ دفاع مدنى   (✓)
       ـ كهرباء ومياه   (✓)
       ـ اتصالات   (✓)
       ـ جمعيات زراعية   (✓)
       ـ بنوك   (✓)
       ـ مطاعم   (✓)
       ـ مساجد   (✓)
       ـ محو الامية   (✓)

٧ ـ   ماذا تفعل اذا مرض احد ابناءك؟
       ـ يعالج فى المنزل   ( )
       ـ يذهب للوحدة الصحية   (✓)

٨ ــ   ما رأيك فى الخدمات التى تقدمها الوحدة الصحية؟

جيدة ( )   متوسطة (√)   مقبولة ( )

٩ ــ   هل انت راض عن المدارس الموجودة فى الجزيرة؟   نعم (√)   لا ( )

١٠ــ   هل تجد صعوبة فى الذهاب الى ابوظبى؟   نعم (√)   لا ( )

١١ــ   هل تعتقد ان الرحلات الاسبوعية لابوظبى كافية؟   نعم ( )   لا (√)

١٢ــ   كيف تحمل على حاجتك من الطعام؟

من السوق (√)   من المحلات (√)   من ابوظبى ( )

١٣ ــ   كيف تمضى اسرتك و خاصة اولادك وقت الفراغ؟
   ــ   يذهبون للنادى   (√)
   ــ   يجلسون فى البيت   ( )
   ــ   يشاهدون التليفزيون   (√)

١٤ ــ   هل انت راض عن النادي الرياضى فى الجزيرة؟   نعم (√)   لا ( )

١٦ ـ هل لديك فكرة عن الخدمات التى تقدم للميادين فى الجزيرة؟

نعم ( ) لا (✓)

ـ اذا كانت الاجابة <u>نعم</u> ما هى تلك الخدمات؟

ـ القوارب ( )

ـ الشباك ( )

ـ خدمات التسويق ( )

ـ خدمات ملاحية ( )

ـ انشاء جمعية ( )

ـ ثلاجات سميكة ( )

١٧ ـ هل انت راض عن خدمات المياه والكهرباء؟ نعم (✓) لا ( )

١٨ ـ هل تعتقد ان عدد المساجد بالجزيرة كاف؟ نعم (✓) لا ( )

١٩ ـ هل يحضر الواعظ الدينى للمسجد كل اسبوع؟ نعم (✓) لا ( )

٢٠ ـ هل تسمع عن شركة ادما العاملة نعم ( ) لا (✓)

٢١ ـ ما هى فى رأيك اهم المشكلات التى تعانى منها ؟

ـ مرض صحى ( )

ـ نقص فى المدارس والمدرسين ( )

ـ عدم وجود مستشفى ( )

ـ صعوبة المواصلات (✓)

ـ قلة النوادي (✓)

ـ قلة الدخل (✓)

٢٢ ـ هل تناقشتم مع المسؤلين حول المشاكل المذكورة اعلاه؟ نعم ( ) لا (✓)

ENERGY MAP OF THE WORLD

PETROLEUM ECONOMIST — ENERGY MAPS

CHASE

WORLD OIL RESERVES, end-1989 — 1,011.0 bn barrels

WORLD COAL RESERVES, end-1989 — 2,204.6 bn tonnes oil equivalent

WORLD GAS RESERVES, end-1989 — 542.0 bn barrels oil equivalent
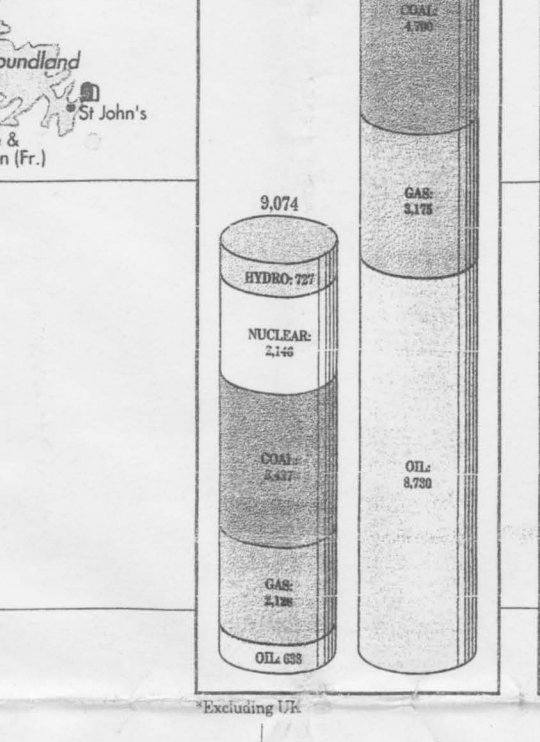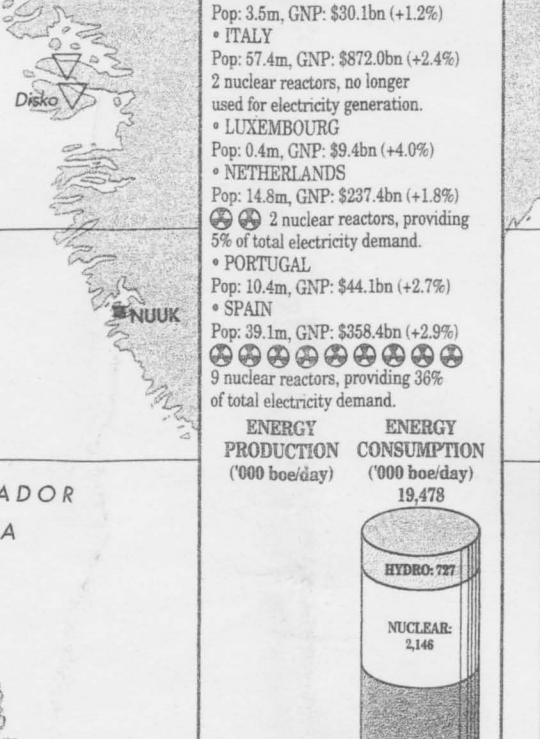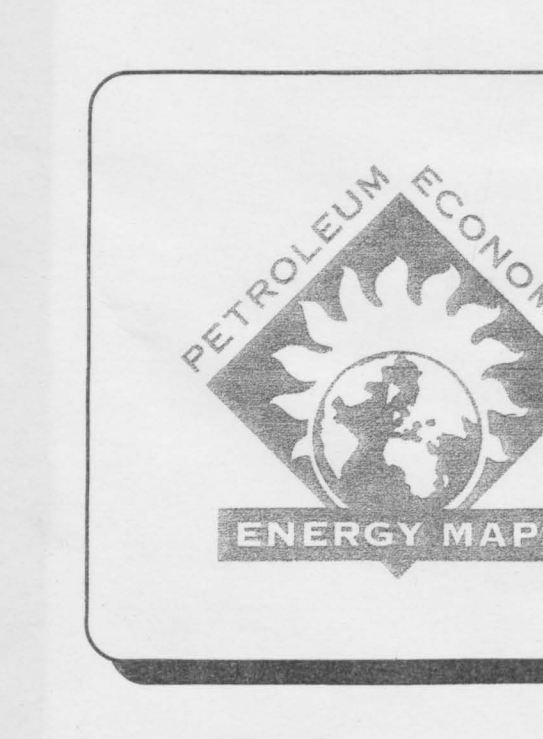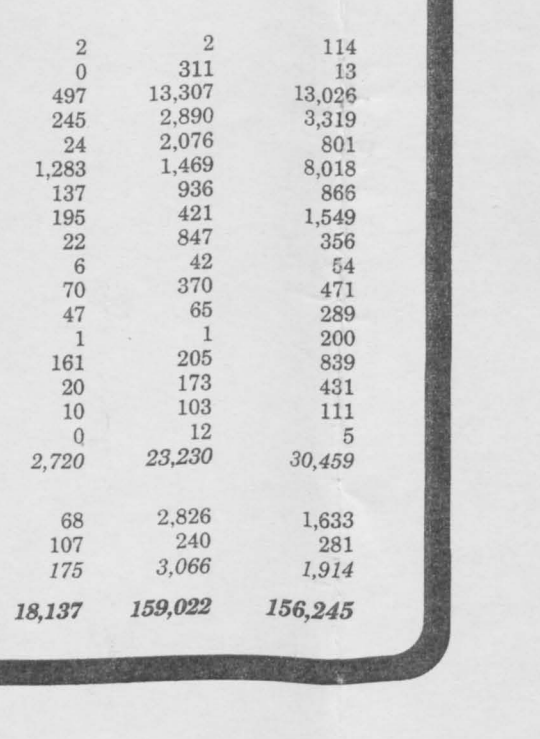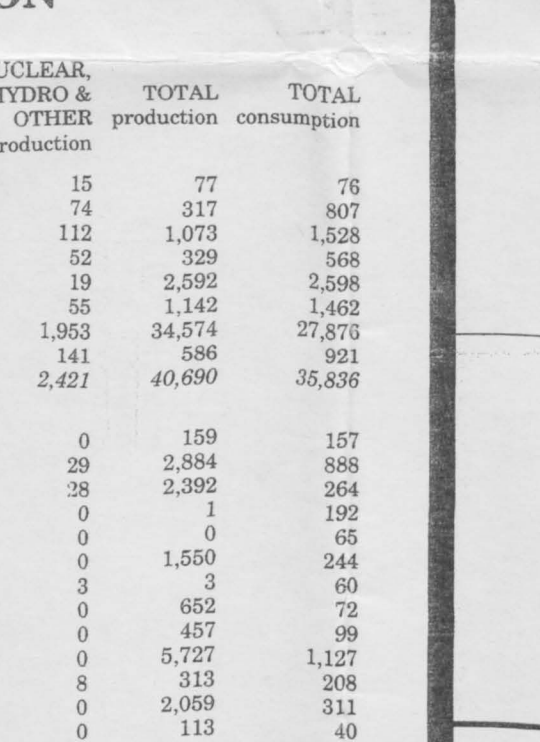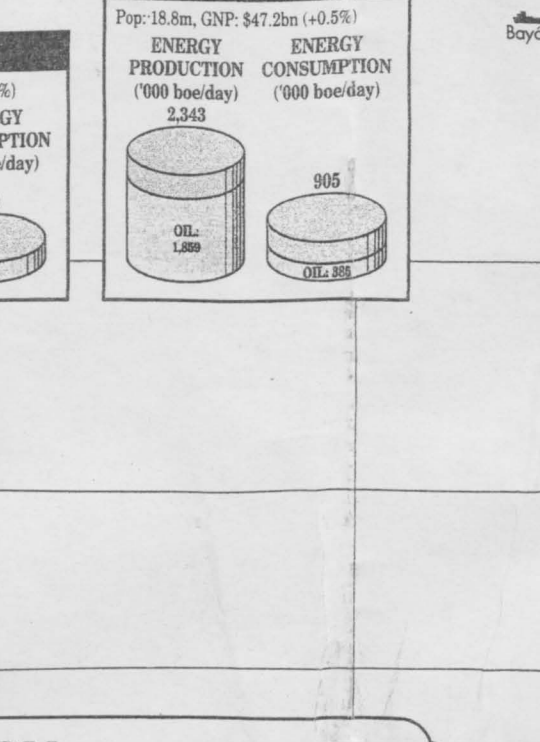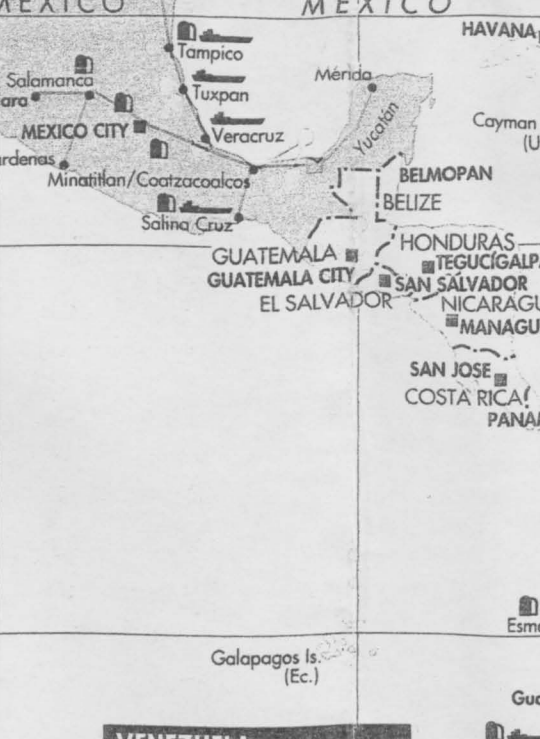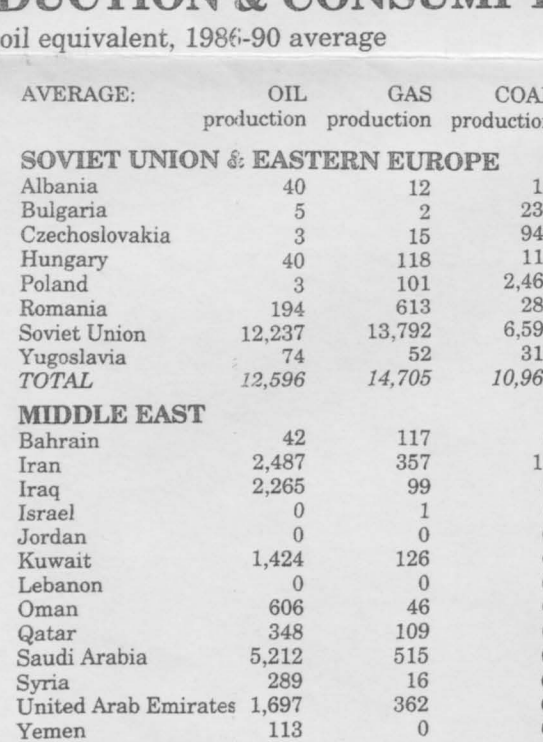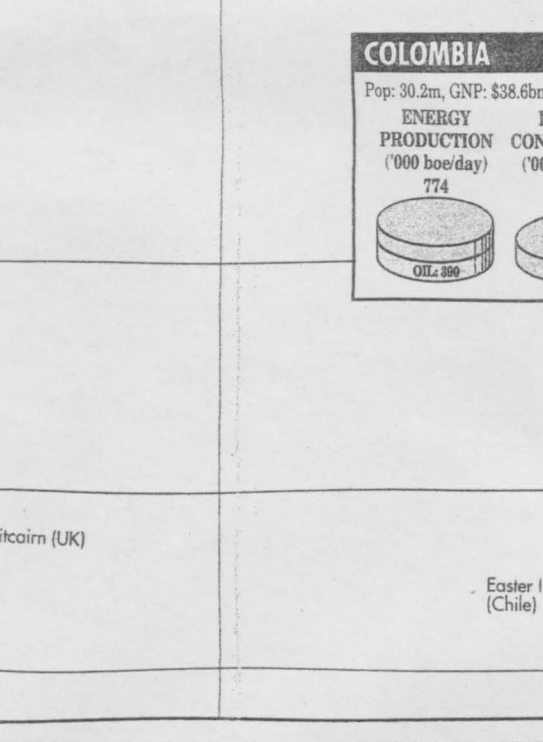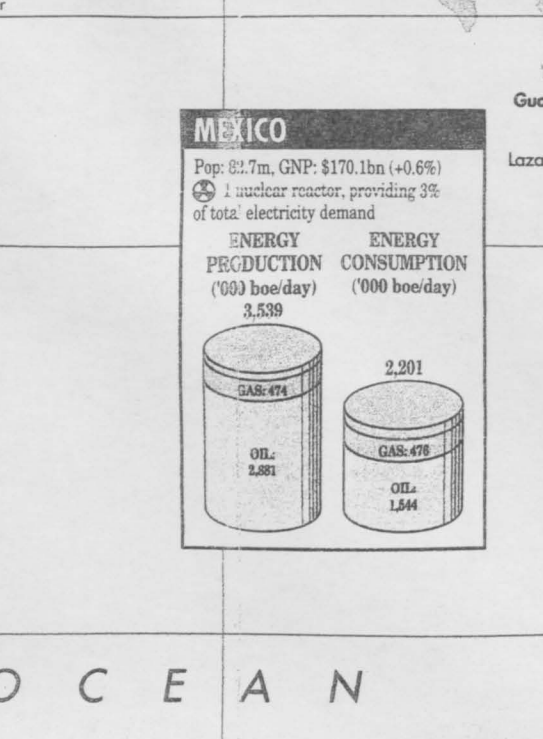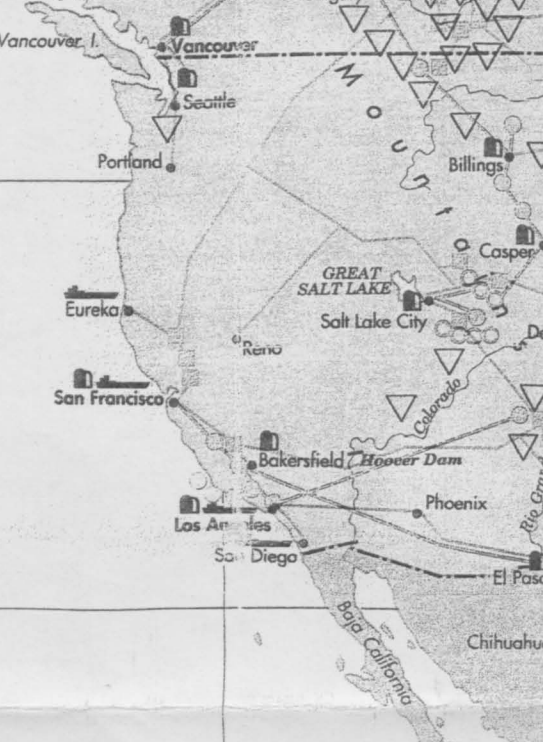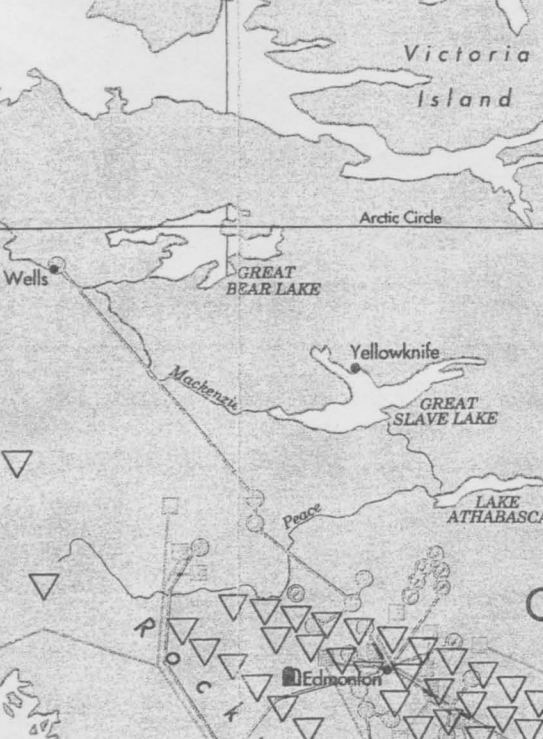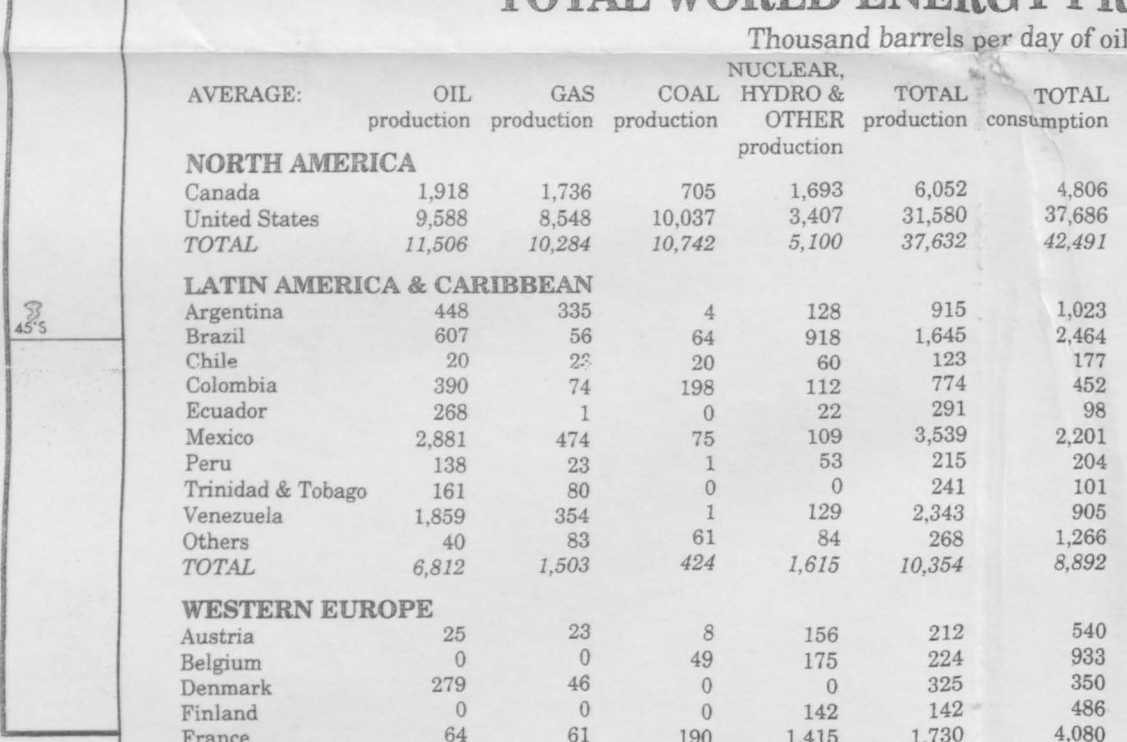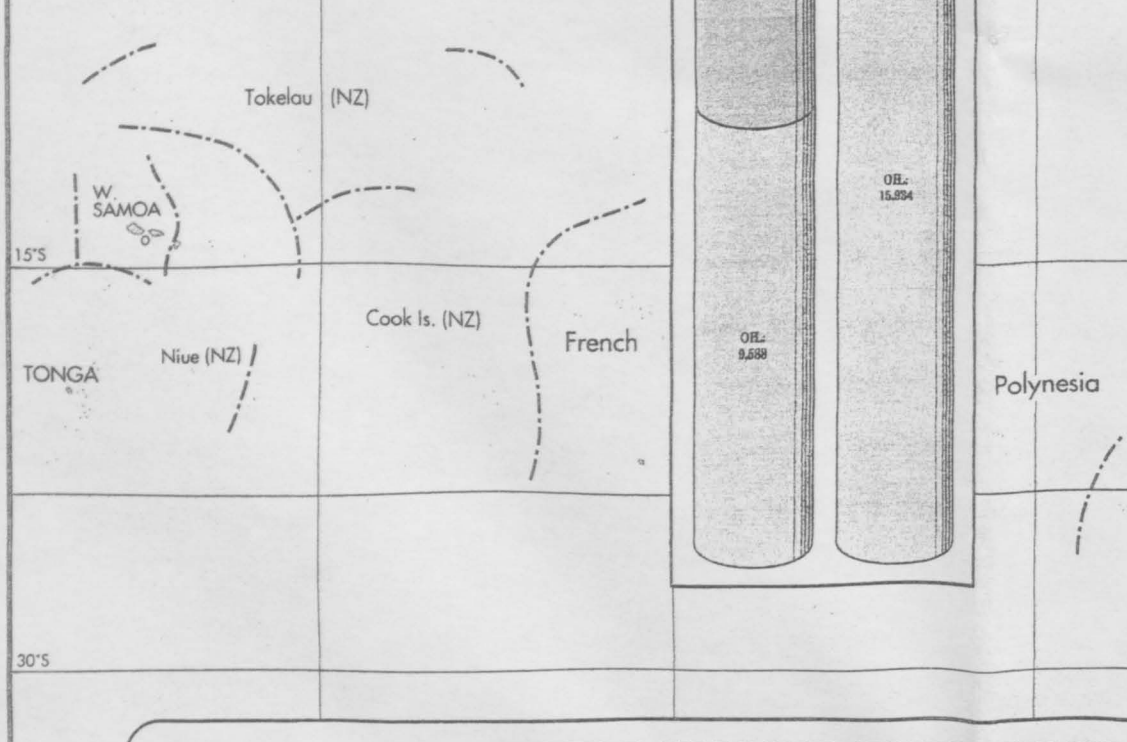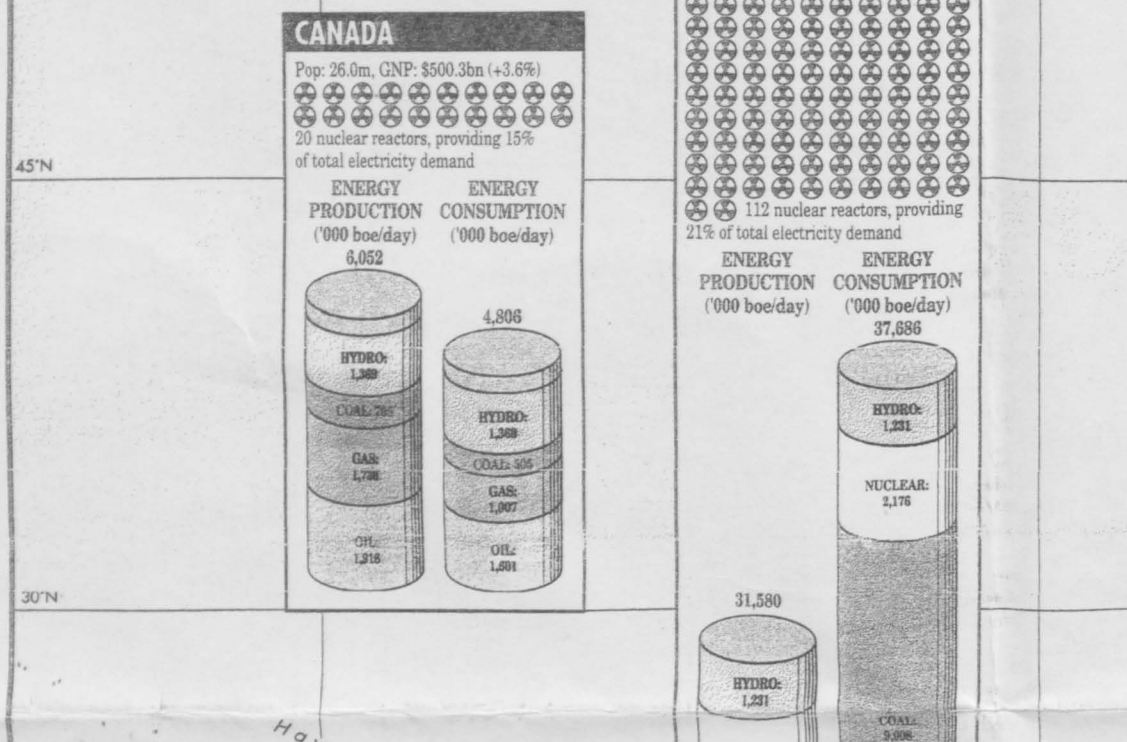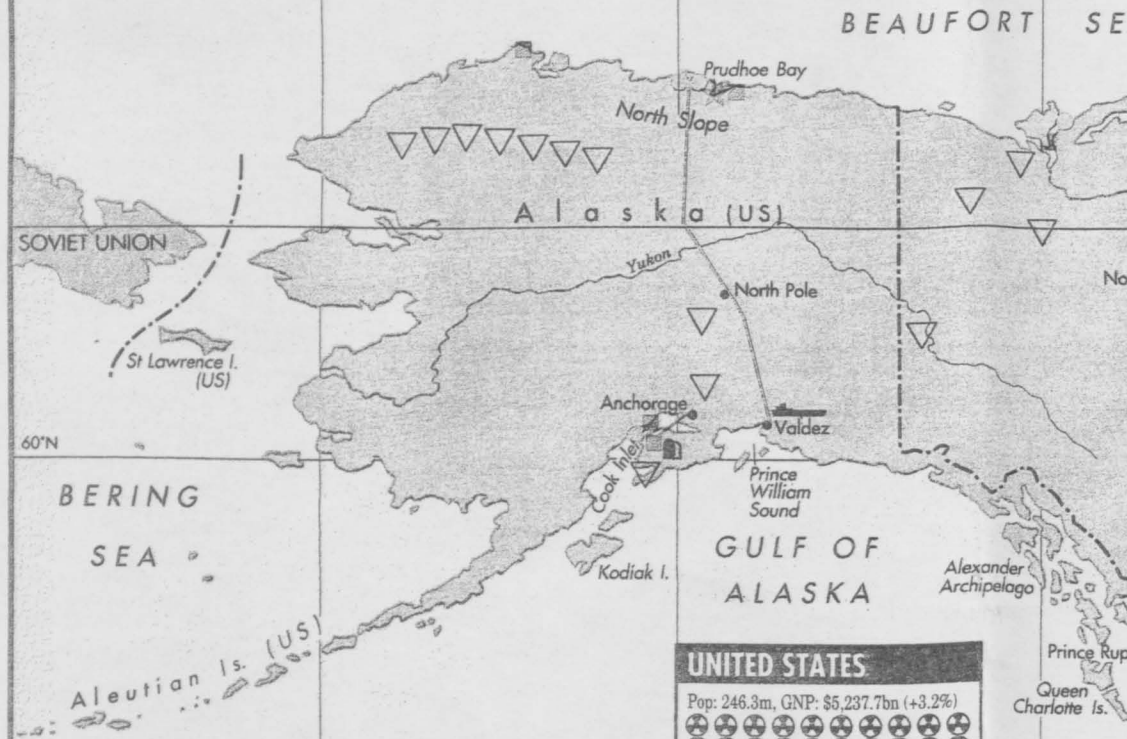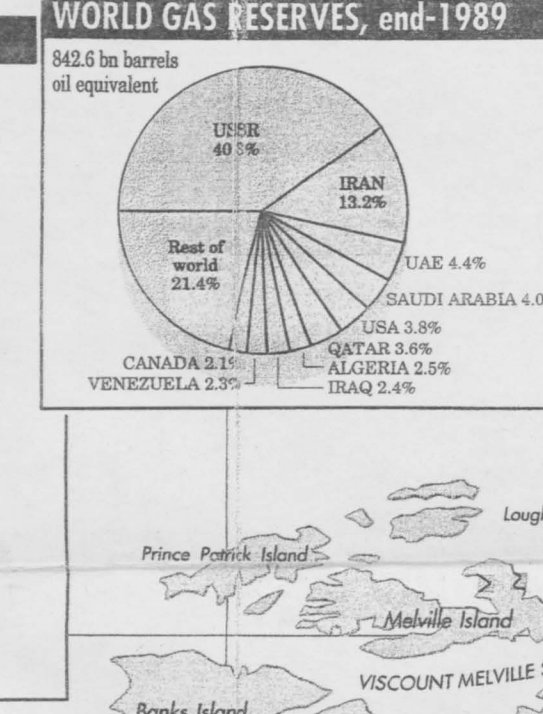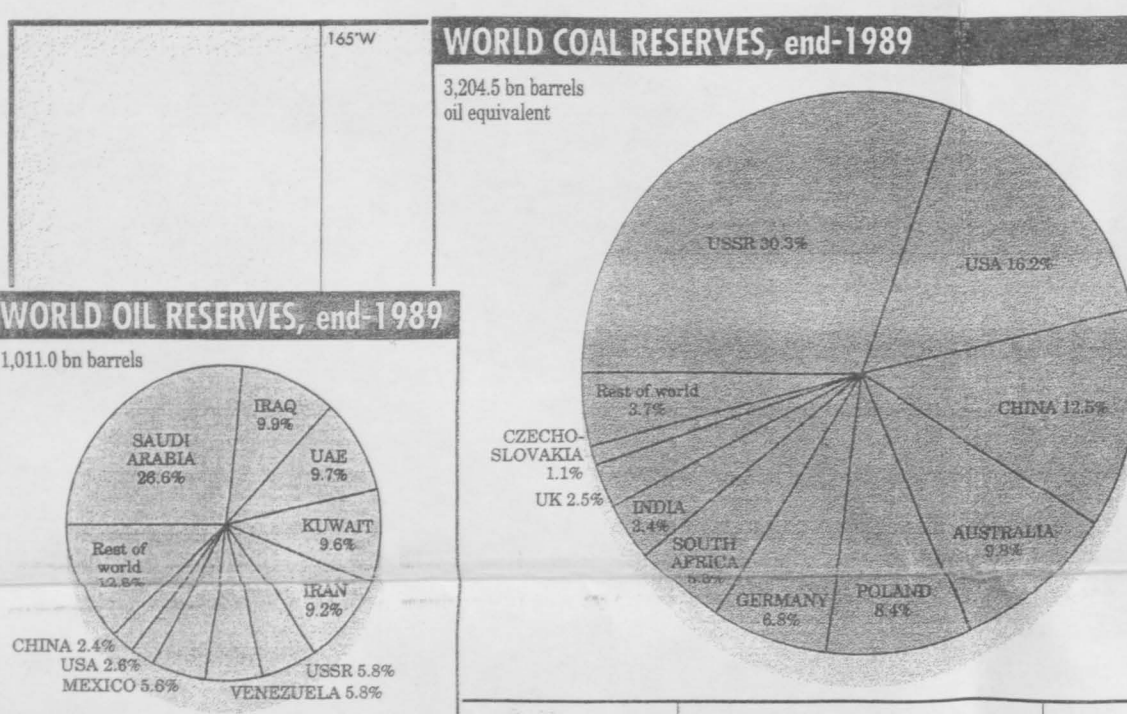
TOTAL WORLD ENERGY PRODUCTION & CONSUMPTION

Thousand barrels per day of oil or oil equivalent, 1986-90 average

AVERAGE	OIL production	GAS production	COAL production	NUCLEAR HYDRO & OTHER production	TOTAL production	TOTAL consumption
NORTH AMERICA						
Canada	1,518	1,736	705	1,693	4,052	4,608
United States	9,588	8,548	10,037	3,407	31,580	37,056
TOTAL	11,506	10,284	10,742	5,100	37,632	42,491
LATIN AMERICA & CARIBBEAN						
Argentina	448	355	4	128	915	1,023
Brazil	697	44	64	918	1,640	2,404
Chile	30	37	20	46	133	172
Colombia	290	74	138	112	774	452
Ecuador	208	11	—	32	291	98
Mexico	2,881	474	56	126	3,539	2,301
Peru	138	23	1	53	210	204
Trinidad & Tobago	161	80	—	—	241	101
Venezuela	1,859	354	1	29	2,243	900
Others	40	63	3	268	1,266	1,280
TOTAL	6,812	1,603	424	1,613	10,254	8,692
WESTERN EUROPE						
Austria	23	43	8	156	212	540
Belgium	0	0	48	175	224	982
Denmark	279	46	—	—	325	350
Finland	0	0	1	142	142	486
France	64	61	190	1,415	1,730	4,080
Germany	78	360	2,812	685	3,940	7,255
Greece	22	0	131	12	165	407
Italy	80	301	6	196	585	3,668
Netherlands	88	1,305	0	14	1,407	1,965
Norway	1,271	538	3	332	2,144	574
Spain	28	25	244	326	623	1,549
Sweden	0	0	0	620	620	1,004
Switzerland	0	0	0	354	354	553
Turkey	60	4	147	92	312	760
United Kingdom	2,251	824	1,268	282	4,560	4,160
Others	9	80	11	96	196	586
TOTAL	4,251	3,666	4,804	4,871	17,596	27,676
AFRICA						
Algeria	1,059	830	—	—	1,861	445
Angola	408	8	—	4	419	24
Cameroon	136	0	—	10	198	36
Congo	134	0	—	2	136	—
Egypt	886	127	0	30	1,043	586
Gabon	199	0	—	5	204	16
Libya	1,104	102	—	0	1,206	471
Nigeria	1,550	76	1	6	1,633	307
South Africa	10	0	2,140	42	2,182	1,630
Others	199	16	50	1,087	1,352	1,661
TOTAL	5,624	1,131	2,192	1,197	10,144	5,650

AVERAGE	OIL production	GAS production	COAL production	NUCLEAR HYDRO & OTHER production	TOTAL production	TOTAL consumption
SOVIET UNION & EASTERN EUROPE						
Albania	40	12	10	16	78	76
Bulgaria	3	1	236	74	317	807
Czechoslovakia	2	15	949	112	1,073	1,528
Hungary	40	116	119	52	329	568
Poland	6	118	2,890	19	3,033	2,308
Romania	194	613	280	55	1,143	1,462
Yugoslavia	74	52	318	141	586	801
TOTAL	14,483	14,705	10,968	2,471	40,690	35,636
MIDDLE EAST						
Bahrain	42	117	—	0	159	157
Iran	2,497	357	11	20	2,884	888
Iraq	2,260	99	—	16	2,392	264
Israel	0	0	—	0	0	287
Jordan	0	0	—	0	0	80
Kuwait	1,424	126	—	0	1,550	244
Lebanon	0	0	—	0	0	50
Oman	606	46	—	0	652	72
Qatar	348	109	—	0	457	99
Saudi Arabia	5,212	513	—	0	5,727	1,127
Syria	389	16	—	8	513	208
United Arab Emirates	1,897	162	—	0	2,059	311
Yemen	113	0	—	0	113	45
TOTAL	14,483	1,748	11	49	16,310	3,725
ASIA						
Bangladesh	0	165	—	—	165	2
Brunei	146	165	—	—	0	311
China	2,715	297	9,798	497	13,307	13,026
India	638	160	1,548	112	4,160	3,219
Indonesia	1,348	692	12	34	2,826	1,085
Japan	12	137	137	1,283	1,469	8,018
Korea, North	0	0	306	0	306	481
Korea, South	0	0	186	186	401	1,549
Malaysia	528	297	—	2	1,050	463
Myanmar (formerly Burma)	48	229	12	5	291	74
Pakistan	48	229	12	6	316	471
Philippines	4	0	4	45	205	695
Singapore	0	0	—	—	0	409
Taiwan	2	18	161	205	305	939
Thailand	53	270	198	68	2,826	651
Vietnam	90	0	43	10	228	261
Others	12	0	—	—	12	281
TOTAL	2,018	12,938	2,720	23,575		30,459
AUSTRALASIA						
Australia	533	270	1,950	68	2,826	1,633
New Zealand	29	26	26	186	281	281
Others	0	0	—	—	0	10
TOTAL	562	348	1,981	173	3,068	1,924
WORLD TOTAL	51,482	35,423	44,000	38,137	159,022	156,245

KEY

Oil field/s
Oil shale
Oil sands
Major oil pipeline/s
Gas field/s
Major gas pipeline/s
Area/s of major coal deposits
Major refining centre
Major export/import terminals
LNG plant

ENERGY CONSUMPTION
Per capita residential annual energy consumption, 1988
Barrels per head oil equivalent
- 5.00 and over
- 2.00 – 4.99
- 0.50 – 1.99
- 0.10 – 0.49
- Under 0.10
- Figures not available

Scale at Equator 1:35,000,000 (350 km to 1 cm, approx. 560 miles to 1 inch)

COUNTRY / REGIONAL BOXES

POPULATION: end-1988

GNP: 1989 at current prices. ( ) Figures in brackets show the annual average GNP growth rate from 1980-89 in constant terms. Economic data for Germany refers to W. Germany only.

NUCLEAR POWER: Nuclear symbols indicate the number of reactors in operation at end-1990. The total proportion of electricity generation supplied by nuclear power in 1990 is shown as a percentage.

ENERGY PRODUCTION & CONSUMPTION:
Thousand barrels per day of oil or oil equivalent ('000 boe/day), 1986-90 average. Cylinders are divided into six categories. Amounts of less than 400,000 boe/day are combined into the other category.
- Other
- Hydro
- Nuclear
- Gas
- Coal
- Oil

SOURCES
Petroleum Economist estimates
International Energy Authority
International Monetary Fund.
International Financial Statistics
World Bank Energy Series
UN Monthly Statistical Bulletin
Petroconsultants, Geneva
OPEC Annual Statistical Review
BP World Energy Review
Shell Annual Energy Review
The Economist
International Atomic Energy Authority, Vienna

All figures for Germany reflect a unified Germany with the exception of economic data.

OTHER ENERGY RESOURCES
Major stations, 1987
GEOTHERMAL POWER — United States, China, Greece, Guatemala, Honduras, Iceland, India, Italy, Japan, Kenya, Mexico, Nicaragua, New Zealand, Philippines, Portugal, El Salvador, Turkey, United States
TIDAL POWER — Canada, China, France, Soviet Union
WIND POWER — Belgium, Netherlands, United States